

ADVISORY COMMITTEE ON VOLUNTARY FOREIGN AID**Public Meeting
February 22, 2006**

Benjamin Homan, ACVFA Chairman, welcomed the public, and commended the committee on its ongoing good work. He noted that the meeting would follow a different format than in the past, in the hope of promoting greater interaction between presenters, committee members, and the public. He invited meeting attendees to volunteer to participate in the committee's task forces.

**OVERVIEW OF THE PRESIDENT'S FOREIGN ASSISTANCE BUDGET FOR
FY2007**

James Painter, *Deputy Assistant Administrator, Bureau for Policy and Program Coordination, USAID*

In a total budget request of \$871 billion, the President has included \$35.1 billion for International Affairs, an increase of 11.2 percent over FY2006. That includes:

- \$6.2 billion for coalition partners in the Global War on Terror
- \$3.4 billion for the President's Emergency Program for AIDS Relief (PEPFAR)
- \$3 billion for the Millennium Challenge Corporation account (MCA)
- \$2.7 billion for USAID's Development Assistance and Child Survival (DA/CS) programs
- \$2.5 billion for disaster relief, food aid, and refugee and conflict assistance

The assistance portions of International Affairs receive a 13 percent increase in the budget request, with the biggest increases going to PEPFAR and MCA.

USAID is slated to receive about 25 percent of the International Affairs budget, or \$9.3 billion. In addition to the \$2.7 billion for DA/CS, that includes:

- \$349 million for International Disaster and Famine Assistance (IDFA), of which \$163 million is for Sudan
- \$50 million for Transition Initiatives (TI), programs for countries emerging from crisis
- \$4.1 billion for accounts comanaged with the Department of State, including the Economic Support Fund (ESF—aid to strategic states), Andean Counterdrug Initiative (ACI—alternative development aid for South America), Support for Eastern European Democracy (SEED), and the Freedom Support Act (FSA) account
- \$1.2 billion for PL 480 Title II program, which provides for emergency and development food aid

The Child Survival account is up a bit at the expense of the Development Assistance account because USAID has increased attention to two significant emerging health threats:

- Malaria—a total of \$166 million, including \$135 million for the President's Malaria Initiative, which will target three countries this year and seven next year
- Avian influenza

DA/CS accounts alone for Africa are at over \$1 billion.

The FY2007 request once more seeks authority to use funds for the local purchase of food and commodities in unforeseen crises. USAID believes it could use this flexibility to feed an additional million people and save an additional 50,000 lives.

Apart from the International Affairs portion of the budget, USAID does have partial authority over some other accounts. It will probably manage \$1 billion of the Global AIDS Initiative, along with Iraq reconstruction money and some funds for threshold countries trying to establish eligibility for MCA.

USAID now allocates the transformational portion of its budget using four criteria:

- Country need as determined under MCA criteria
- Country commitment
- Population size (though this criterion does not carry much weight)
- Program performance

The Agency reviewing the potential to allocate the strategic portion of its budget similarly. This is an effort to do away with “budgeting by inertia.”

DISCUSSION

USAID will be emphasizing five-year strategic and one-year operational plans. The notion of five-year plans is not so much a change for USAID as a change in the way it integrates its planning with the Department of State. USAID and the State Department do have an existing three-year joint strategic plan now due for renewal, but that is a very high-level strategic document. In the near future the State Department and USAID will be aiming to integrate their plans on the levels of regions and countries.

PANDEMIC OUTBREAKS: USAID AND LOCAL PARTNERS

Panelists included members of the ACVFA Avian Influenza task force, formed after the public meeting of October 19, 2005.

Dennis Carroll, *Senior Infectious Diseases Advisor, Bureau for Global Health, USAID*

In October, then-Administrator Andrew Natsios created a special avian influenza–focused unit to bring together a wide range of capabilities and use the resources available effectively.

Historically, AI has been a virus mainly affecting birds, and to this day 99 percent of infections occur in poultry. But the current H5N1 strain of AI has infected over 190 people so far, and of those more than half have died. It is a dynamic virus, and genetically very similar to the 1918 pandemic influenza virus that killed 50–100 million people over fourteen months. Influenza pandemics tend to occur every thirty to forty years. The last was in 1968.

AI spreads from animals to humans in places where many people live in close proximity to poultry. In recent years, countries have turned to poultry as a way to keep up with their populations' protein and local economic needs.

The last sixteen to eighteen months—and the last six months in particular—have seen the explosive spread of AI. So far the genetic characteristics, pathology, and epidemiology of the virus have remained unchanged, and so far it has not developed the ability to pass from person to person. The situation is very dicey, however, because this class of virus can mutate and adapt very quickly.

The threat of AI requires a comprehensive approach dealing with both human and animal health. USAID is responding across traditional sectors of aid, involving at the very least nations' ministries of agriculture and health. The threat of AI also requires an emergency response—the Agency does not have time to build new systems to deliver services, it must respond using those already in the field, guided by existing world organizations and the UN.

The goals of AI control are:

1. Limit animal infections
2. Limit human infections
3. Prepare for the worst

From the moment an outbreak begins, public health officials have from twenty-four to twenty-six days to contain it before it spreads out of control. Containment capabilities must be in place before an outbreak begins.

USAID and colleagues from the Centers for Disease Control (CDC) and the Departments of Agriculture, Health and Human Services, and State are working to support countries in a number of areas simultaneously:

- Strengthening surveillance and laboratory diagnostic capabilities
- Bringing the public and private sectors together in rapid-response teams capable of dealing with animal and human outbreaks

- Providing support for pandemic planning
- Conducting research
- Stockpiling equipment and medicines
- Communicating with high-risk populations, policymakers, and the media

In the long term, USAID and its partners need to help countries transform their animal husbandry practices.

Nancy Ossey, *President and CEO, International Medical Corps, ACVFA Member*

Nongovernmental organizations (NGOs) are already in most of the areas where pandemics are likely to start, and they have access to communities and the trust of their residents.

NGOs can make significant contributions to the planning and implementation of methods to prevent the spread of disease. They can:

- Identify risky behaviors
- Teach communities about appropriate hygiene and isolation practices
- Help ministry of health officials develop prevention and containment plans
- Activate the network of the Expanded Programme on Immunization (EPI)
- Treat patients and assist in isolating those exposed to the virus
- Provide increased local management training to ensure that local health services are not interrupted if international aid workers are evacuated
- Distribute stockpiled supplies
- Respond as part of emergency-response teams

Much government funding has gone toward vaccine development. Little is known about the local social, cultural, and economic dynamics that will affect containment and control. We need to support World Health Organization (WHO) recommendations for evidence-based research, allowing NGOs to survey social norms and examine health systems.

Since International Medical Corps turned its attention to AI last spring, it has taken the following steps:

- Developed coordination links with international agencies, local health authorities, and community-based organizations
- Participated in the Avian Flu Technical Forum held by the WHO in Geneva
- Assisted WFP regional emergency-management teams
- Developed a form for population-based surveys of risky behaviors, knowledge gaps, and needs
- Launched a public Web site to disseminate the latest information on AI

Mohammed Akhter, *President and CEO, InterAction, ACVFA Member*

Over 100 countries gathered in Beijing to address AI as a humanitarian crisis. The declaration that emerged states that each country will design its response plan in collaboration with civil society and the private sector, because no government can respond to AI alone. So far, those in the international public health community have done a good job enlisting the help of governments, but not as good a job in working with NGOs and the private sector.

InterAction has taken four basic steps:

1. Begun holding biweekly meetings to share information from the field and develop coordinated response mechanisms
2. Started to measure NGO capabilities in the field
3. Provided guidance to members in preparing plans to:
 - Protect their employees
 - Protect the employees of partner NGOs
 - Form a seamless system with other NGOs and local partners to help local governments
4. Advocated on behalf of its members for:
 - Compensation to farmers
 - A spray rather than injected form of vaccine for birds
 - A vaccine for humans
 - A strong, coordinated response supported by adequate resources

Irene Koek, *Chief, Infectious Disease Division, Bureau for Global Health, USAID*

Right now we are living through an epidemic that claims the lives of 2 million people each year: tuberculosis (TB). Acute respiratory infections claim the lives of some 3.5 million people each year, mostly children; diarrhea, 2 million, again mostly children; HIV/AIDS, 3 million; and malaria, 1.2 million children.

Many of the solutions to these problems are about working with local partners and getting commitments at the international, national, and local levels to make sure the right professionals are in place with necessary resources. It is also important to insist that responses have clear objectives and can clearly document results.

Local communities and governments, NGOs, donors, and the private sector also need to work together to sustain interventions once they are put in place. TB is the classic example of what happens when a problem does not receive sustained attention. The developed world thought TB had been taken care of, but New York City in the 1980s showed that assumption to be false—and that in fact TB hasn't been taken care of in the developing world at all.

At the end of January the Global Partnership to Stop TB issued a ten-year strategy outlining what actions need to be taken at the global and local levels, in

the public and private sectors. If the actions in the plan are followed, we can save 14 million lives by 2015, treat 50 million patients (including 1 million for multidrug-resistant TB), develop a new drug to cut in half the current six-month standard course of treatment, create a vaccine, and devise a new diagnostic test that can be performed efficiently at the point of care.

DISCUSSION

USAID is researching the structure of unregulated markets in poultry in order to take an approach that includes incentives rather than simply law enforcement. Originally it was investigating the role of local markets, but with the explosion of the virus across national borders it now has to try and understand the international black market. The experience of mad cow disease has taught public health professionals that they need to understand the conditions of animal rearing to prevent the spread of disease.

One of the differences between AI and the normal influenza virus A is that the latter targets mainly underdeveloped or degraded immune systems, while H5N1—like the 1918 strain H1N1—harms mainly young people with robust immune systems.

There may be gender-based differences in infection patterns. USAID and others working to stop the spread of AI must be sensitive to local victim profiles.

It will be vital to engage the educational community, especially now that the virus has moved to Africa, where communication capabilities are very poor. The Academy for Educational Development has downloaded to Web sites around the world a guide to help instructors teach children good practices in poultry handling.

The Agency will also use the surveillance infrastructure already in place to guard against polio in such places as Nigeria. Such cooperative efforts are essential, as the public sector simply does not have the penetration that NGOs dealing with polio, among others, have into local communities.

The lack of appropriate systems in places like Nigeria makes it much more difficult to bring together local and national authorities in a rapid, well-coordinated, timely response. On the other hand, Africa does not have poultry densities as high as the other parts of the world where AI has appeared, which may slow the spread of the virus.

New funds have been budgeted for AI three times in the last nine months. In all, \$153 million has been made available to USAID to combat AI; \$53 million will be used to stockpile medicines and prepare for rapid emergency response. The remainder is being used to try to contain the virus at the animal level. USAID is very concerned about the deficit of skilled veterinarians, for example. USAID

aims to transform practices. There are two key components: communications and motivation on the one hand, and veterinary skills on the other.

KEYNOTE ADDRESS

Faryar Shirzad, *Deputy Assistant to the President for International Economic Affairs, Deputy National Security Advisor*

The administration's economic agenda follows a three-part strategy to alleviate poverty by promoting the expansion of private capital.

1. Open markets for free trade and the movement of capital
2. Stabilize the international financial system and help countries develop sustainable economic policies
3. Integrate the global economy, expanding rules-based trading systems and using development programs to help countries' economies grow

The President has pursued the third part of this strategy with great energy. He has increased foreign aid by more than any President since Truman: in the last five years overseas development assistance (ODA) has doubled, to the highest share of GDP since 1988. The United States now donates 34 percent of the ODA given by Group of Eight (G8) nations.

That development agenda is part of the broader *National Security Strategy (NSS) of 2002*, which envisioned using diplomatic, military, and economic means to promote economic and political freedom around the world. In part to reflect the importance of foreign assistance, in January 2005 the administration reorganized the National Security Council itself. To ensure foreign assistance in all its aspects receives the required attention and leadership at the highest levels, it created the Directorate for Relief, Stability, and Development within the NSC.

It is also very important to mobilize the private sector, not just companies but also the generous private individuals whose compassion is manifested in the work of NGOs.

Summits such as those held by the G8 provide another opportunity to advance a development agenda. The President successfully championed multilateral debt relief at the G8 and the IMF, and continues to press for the same from the World Bank. In the WTO the President has pushed unrelentingly for the Doha agenda because of its development potential.

DISCUSSION

The administration is taking a number of steps to develop greater cohesion among its various initiatives. One of these is the effort that Secretary of State Condoleezza Rice described when she announced Randall Tobias as the new

Administrator of USAID: to coordinate all foreign assistance programs, in part by giving the USAID Administrator partial control over funds now controlled exclusively by the State Department. To support these and similar reforms, in their dealings with Congress attendees should avoid the special pleading that can hamper collective vision.

When the United Kingdom put forward the idea of a special focus on Africa for the G8, some in the administration observed that the G8 had an action plan for Africa already, dating from the 2002 summit. But further investigation revealed that since 2002 donor countries and Africa have significantly improved their relationship. The administration wanted to reflect at the G8 that the African Union (AU), the New Partnership for Africa's Development (NEPAD), and key states in Africa have begun to address the continent's problems on their own.

The President believes that economic and political freedoms are inextricably linked. The administration has taken a number of actions to support economic freedom, including pressuring the World Bank to deal with corruption. In its good-government programs the administration measures progress toward free markets and the rule of law.

While the UN's Millennium Development Goals (MDGs) are important, they are not enough. Ultimately the administration wants to eliminate the problems MDGs respond to altogether. That said, meeting the MDGs will require unconventional thinking, including the promotion of economic freedom through such trade policies as the President's challenge in the WTO to eliminate all agricultural barriers and subsidies, which would primarily benefit developing-world nations.

POLICY FRAMEWORK FOR BILATERAL FOREIGN AID

Douglas Menarchik, *Assistant Administrator, Bureau for Policy and Program Coordination, USAID*

In January USAID issued the *Policy Framework for Bilateral Foreign Aid* to guide the implementation of a conceptual white paper it produced in January 2004. Under the *Policy Framework*, the 80 countries where USAID now has programs would fall into one of three categories:

- Strategic states
- States in transformation
- Fragile states

A fourth category of aid addresses global issues such as AIDS and TB, and a fifth, humanitarian assistance and emergency relief.

The *NSS of 2002* describes the so-called Three Ds: defense, diplomacy, and development. Where these overlap, USAID can be more effective if it

coordinates with other agencies. The new Directorate of Foreign Assistance at the State Department will help solidify the relationship between diplomacy and development.

DISCUSSION

The current system pushes money to the local level, where all decisions are made. The new plan will include strategic guidance from the regional and functional bureaus in both the State Department and USAID. Then at the local level the mission director and the ambassador's team will work together to develop a coherent plan. Today three separate funding streams are available for development assistance in any country: security assistance, development support, and economic (i.e., diplomatic) assistance. From now on there will be but a single stream, and USAID and State personnel will have to decide together how to direct it.

RECOGNITION OF FORMER ADMINISTRATOR ANDREW S. NATSIOS

Former Chair of ACVFA **William Reese** thanked Andrew Natsios for the legacy he leaves at USAID. Mr. Natsios commissioned and shaped the report *Foreign Aid in the National Interest*, and pushed USAID staff members to think about development in unconventional ways as they composed the white paper that became the *Policy Framework for Bilateral Foreign Aid*. Mr. Natsios brought new thinking to other areas as well, including crisis mitigation and management, and came up with new ways of multiplying the effect of U.S. taxpayer dollars by working with the private sector in the Global Development Alliance (GDA).

Current ACVFA chair **Benjamin Homan** also thanked Mr. Natsios for his past and continuing contributions to the field, and presented him with a commemorative gift on behalf of the Committee.

AFRICA STRATEGIC FRAMEWORK

Ted Weihe, *Senior Advisor to Land O'Lakes International, ACVFA Member*

The February 2005 meeting of ACVFA introduced USAID's *Fragile States Strategy*. Following the October 2005 meeting, ACVFA created a task force to collect advice from the NGO community on how best to implement that strategy.

Wade Warren, *Director, Office of Development Planning, Bureau for Africa, USAID*

The *Policy Framework for Bilateral Foreign Aid* divides USAID programs according to five core goals:

- Promote transformational development
- Support strategic states
- Provide humanitarian relief
- Address global issues and other special concerns
- Strengthen fragile states

The *Fragile States Strategy* further divides countries into:

- Vulnerable states
- Crisis states

USAID's new approach addresses each country's pattern of fragility—what is causing its problems. Once those driving factors are identified, USAID can design its programs to address them.

Fragile states do have certain common characteristics:

- Bad governance and corruption that make development difficult
- Lack of governmental ability or willingness to establish preconditions for long-term development
- Prevailing conditions that are too fluid and risky for savings and long-term investments to be attractive
- A society focused on securing its most basic needs in the near term

USAID's approach to fragile states, as described by the *Fragile States Strategy*, aims first and foremost to enhance stability by addressing the sources of stress and conflict in the political, economic, and social spheres. It also aims to:

- Improve security
- Develop the capabilities of institutions
- Respond rapidly and flexibly to changing conditions
- Coordinate with other U.S. agencies and other donor nations

In the *Strategic Framework for Africa*, USAID describes how it will apply the principles of the *Policy Framework for Bilateral Foreign Aid to Africa*. In it the Agency applies the *Fragile States Strategy* to Africa using the best practices it has developed in partnership with the NGO community.

The long-term vision of the *Strategic Framework for Africa* is to stabilize all fragile states in Africa. The medium-term goal is to promote democratic practices, the nonviolent resolution of conflict, and equitable economic recovery; increase security; and increase political, economic, and social stability in sub-Saharan African countries vulnerable to, in, and emerging from crisis.

The *Strategic Framework for Africa* also sets forth operational goals for fragile states. USAID will ask missions to reorient their programs to:

1. Avert and resolve conflict
2. Promote stabilization

Each of these two operational goals has strategic objectives associated with it quite different from the sector-based (e.g., agricultural, health, economic, etc.) strategic objectives that have been the norm.

1. Avert and resolve conflict
 - Advance peace processes
 - Reinforce African conflict-mitigation and management capabilities
 - Protect people from physical violence
2. Promote stabilization
 - Reintegrate people affected by conflict into society
 - Increase access to essential services
 - Advance basic ideas of democratic governance
 - Restore and/or maintain basic economic activity

In the Democratic Republic of Congo, for example, USAID conducted a field-based workshop with its NGO partners to identify the main sources of fragility. The consensus that arose was that there were three:

- The reliance of the transition process on a tenuous power-sharing arrangement
- The competition for resources in the absence of a unified, legitimate state
- Congo's legacy of self-serving elites who appropriate state resources for their own benefit

USAID is designing a program that addresses these sources of fragility: it will increase its emphasis on the eastern part of the country, on protecting people from violence, and on reducing competition for natural resources, especially in the extractive industries.

Similarly, in Liberia USAID held a field-based workshop to identify sources of fragility. The consensus there was that fragility in Liberia also arose from a competition for natural resources, as well as the deliberate exclusion of the majority of Liberians from political life and economic opportunities. In its redesigned program for Liberia, therefore, USAID will work to:

- Help the Liberian government and civil society address sources of conflict
- Restore basic services to Liberian communities
- Expand reintegration activities
- Strengthen governance structures at the national level
- Empower youth, women, and other previously marginalized groups

DISCUSSION

NEPAD has conducted peer reviews for Ghana and Rwanda, but it has been difficult for the private sector to obtain the resultant documents—in fact it has been difficult in general for the private sector to interact with NEPAD. The State Department is considering using Economic Support Funds to aid the peer review process, which would provide some leverage. USAID is also working with NEPAD as part of the AU's effort to field its own team of election monitors. And,

through its Initiative to End Hunger in Africa, USAID is working with NEPAD on its comprehensive agriculture program. While NEPAD has not gotten any fragile state to commit to peer review, its agriculture program has put mechanisms in place that would allow them to conduct those reviews if any fragile state does agree.

Strategic objectives will be followed by the development of benchmarks and measurements of stability, but such benchmarks and measurements are not easy to develop.

While all missions in Africa are rewriting their strategies, it is the ones in fragile states that will change most significantly. Ongoing contracts will not simply come to an end, however. In most cases it will be easiest for USAID to make necessary changes with existing partners.

The Secretary of State is trying to establish some of the necessary coordination among diplomacy, defense, and development by making Ambassador Tobias both the Administrator of USAID and the Director of Foreign Assistance at the State Department. Coordinating with DOD is more complicated, because Secretary Rice does not have responsibility for DOD's funding.

One of the difficulties in fragile states is that so much needs to be done at once. The focus is often on building the public sector initially with the private sector to follow, but the private sector is vital to establishing the economic viability of a country, and even in fragile states USAID's programs seek to engage the private sector wherever possible. USAID's African Global Development Alliance does promote public and private alliances in development, though it is more difficult to do so in fragile states. Fragile states often do have many untapped natural resources, which hold out the promise of great returns on USAID investment if private companies can be attracted. But infrastructure is often lacking, and fragility also often means conflict. If the Agency can address the driving factors of fragility, it may be able to attract investors.

Because one source of fragility is the excessive concentration of power in central governments, in many countries USAID's Office of Transition Initiatives is working to strengthen local governments. Stronger local governments are more responsive to local needs; mayors have to face their electorates every day.

REMARKS OF THE ACTING ADMINISTRATOR

Frederick Schieck, *Acting Administrator, USAID*

Mr. Schieck arrived from the first meeting of the "Helping to Enhance the Livelihood of People around the Globe" (HELP) commission, authorized two years ago with an appropriation of \$4 million to investigate the effectiveness of

foreign aid in the broadest sense. It includes appointees from the House, Senate, and White House, Democrats and Republicans.

The HELP commission feels its purview includes any U.S. government agency administering any foreign aid program. The group decided not to focus on funding levels but on how to improve the effectiveness of whatever aid is administered.

The authorizing legislation says the commission must finish its work by December 2007. The commission decided to try to finish by the summer of 2007. USAID will provide the detailed information the commission needs. The commission will also reach out to the NGO and private sectors. There may even be a Web site for people to send in ideas.

Meanwhile, USAID awaits confirmation of Ambassador Tobias as Administrator. His nomination went to Congress on February 17, and he is expected to be confirmed within a few weeks.

DISCUSSION

More than one participant endorsed the notion that as USAID and the HELP commission focus on Africa, they and ACVFA should make more of an effort to include Africans living in the United States in discussions.

NGOs ON THE GROUND: EFFECTIVE INTEGRATION ACROSS THE U.S. GOVERNMENT

Spencer King, *Member, ACVFA Military Affairs Task Force, President and CEO, International Executive Service Corps (IESC), ACVFA Member*

Last October, Michael Hess made a presentation to ACVFA on the military liaison model. The military affairs task force was formed following that public meeting. It is trying to deal with the question of how to integrate the work of two or three major U.S. government departments. It does not have budgets and timelines, but it has come up with one idea it would like to promote. In addition, ACVFA would like to invite the public to contribute its own ideas.

NGOs could help train military civilian-affairs personnel before they are deployed. There are literally thousands of volunteers available in the United States to conduct such training. DOD would have to identify beforehand the sectors in which they planned to work, of course. In a future stage NGO volunteers could even team with the military in the field.

On November 28, 2005, the President signed *Defense Directive 3000.05*, "Military Support for Stability, Security, Transition, and Reconstruction (SSTR)

Operations,” which summarized some of these discussions. Section 4.5.2 of that document refers to teams “open to representatives from other U.S. Departments and Agencies, foreign governments and security forces, International Organizations, NGOs, and members of the Private Sector with relevant skills and expertise.”

The task force has now drafted a rough version of a proposal to formalize this type of relationship in USAID. Its language does not refer to military cooperation specifically but to “integration across public agencies.”

Chris Hoh, *Director for Response Strategy and Resource Management, Office of the Coordinator for Reconstruction and Stabilization, U.S. Department of State*

The State Department’s Coordinator for Reconstruction and Stabilization (S/CRS) was created in 2004 to coordinate and strengthen all U.S. government efforts for reconstruction and stabilization under the leadership of the foreign policy establishment—the Secretary of State. The thinking has been that you cannot set up a cabinet-level agency for major interventions because countries don’t pass a bright line from routine to extraordinary; rather, they go through a long, gradual transition process toward and out of crises. It is important to have the same organizations involved in the stages leading up to a crisis; in the middle, when the crisis is severe; and following a crisis, as a country begins to stabilize.

S/CRS will coordinate with international and nongovernmental partners and develop “personnel surge” mechanisms: the ability to send large numbers of people to work on a specific problem when the need arises, in a manner that has them all aware of the responsibilities of all the others.

While it has many aspects, S/CRS can be boiled down to a few new approaches:

- Essential Tasks Matrix
- Best Practices Thematic Guides
- A semiannual watch list of countries at risk
- Conflict Assessment and Analysis
- Strategic Planning Template

There is a two- to three-year window to affect the dynamics in a given society. In fact, we probably only have a few months at the beginning to avoid a negative trajectory—i.e., for the “spoilers” to figure out that we mean business, for those on the fence to decide to give us a chance, and for the people who will be the agents of change to feel safe enough to take chances. Combining a good analysis of the factors driving instability with good strategic planning allows us to put limited resources in the most important places during that short period.

Mike McNerney, *Director for International Capabilities, Stability Operations, U.S. Department of Defense*

In preparing for Afghanistan it became clear that civil-affairs personnel in the armed services were not well enough prepared to deal with postconflict issues. DOD has decided it needs to do a better job of preparing military personnel and personnel at the State Department and USAID to work together.

Directive 3000.05 will change the way DOD prepares for most operations apart from major combat—those DOD calls “stability operations”: peacekeeping, providing assistance to local populations, training other militaries, and so on.

Stability operations are with us for the long term. We have to be better prepared to undertake them because of what we see as major challenges in the future.

Directive 3000.05 is meant to prepare DOD to do whatever it is asked to do. There is no desire to undertake more stability operations; DOD merely wants to do a better job of those it does undertake, in partnership with the State Department and USAID, and when appropriate with NGOs in the field. *Directive 3000.05* is a public statement that civilian and military cooperation will only increase in importance in the future. In fact *Directive 3000.05* puts stability operations on par with combat operations, a clear signal that the two are equally important. It also highlights DOD’s need to fill the gaps where civilian agencies cannot operate either because the environment is insecure or because they cannot train local police forces and militaries.

All U.S. government agencies agree that future training and exercises should have a strong interagency presence. DOD does not simply plan to address training immediately before deployment, where it has made some progress, but create from the earliest levels of training a culture that emphasizes the importance of working with civilian agencies.

Three offices in particular are important for this transformation effort:

- S/CRS
- USAID’s Office of Military Affairs
- A group organized by the Institute of Peace, bringing together InterAction and DOD.

John Champagne, *Senior Military Advisor, Office of Military Affairs, Bureau for Democracy, Conflict, and Humanitarian Assistance (DCHA), USAID*

The Office of Military Affairs (OMA) was established formally last March, when then-Administrator Natsios decided USAID needed an organization to coordinate its relationship with DOD.

USAID is still early in the process of staffing OMA: it has hired three of what will be a staff of fifteen to eighteen. Ultimately OMA aims to have representatives at all of DOD's combatant commands, to contribute to their planning processes at the earliest stages and to make sure USAID understands those plans thoroughly.

The Agency also believes strongly in its relationship with S/CRS, and currently has eight to ten people working in that office. USAID will be available for the "surge capacity" mentioned earlier—though USAID has only 2,100 officers, including 1,100 foreign-service officers, and is at any time around 100 short of filling all its vacancies.

So far the military is well ahead of its civilian counterparts in reaching out to interagency partners. But USAID is beginning to catch up. The NGO community should help shape the Agency's responses, because NGOs make up the delivery mechanism for any program USAID supports.

DISCUSSION

One participant felt the process was moving too slowly, which keeps NGO workers' lives at risk.

Mr. Hoh agreed, saying that sense of urgency is lacking from the Washington policy community and Congress. This coordination will require investment up front and some tough choices, because working together means changing the way individual players do business. But without change the United States will continue putting people in unsafe conditions. In Iraq and Afghanistan the United States is keeping battalions in wartime environments at a marginal cost of \$1.2 billion every month for each division. It is risky to put people in environments where there is no clear picture of what the United States is trying to accomplish.

A team from Joint Forces Command worked with USAID and the State Department to assess the Provincial Reconstruction Team (PRT) program in Afghanistan. Their final report will soon be elevated to the level of senior interagency review, with findings and recommendations.

Mr. McNerney argued that changes sometimes do take a long time. The Goldwater-Nichols Act of 1986 was Congress's direction to the military to create "jointness," or coordination among the Army, Navy, and Air Force. It has taken twenty years to realize that vision. Now the U.S. government has to do the equivalent of Goldwater-Nichols for multiple agencies, and without guiding legislation. If we panic and aren't satisfied with results in a year or two, we may scrap attempts like S/CRS, OMA, and stability operations before they have a real chance. Some would argue that that's what the armed forces did after Vietnam, in giving up on everything but major combat operations.

Civilian agencies need to adapt a few pages from the military playbook: they need to plan, practice, and prepare. They need to know what they need before a crisis—in staff, training, and equipment—so that when the call comes, they can respond quickly.