

Leading Through Civilian Power: The First Quadrennial Diplomacy and Development Review

A product of an intense study launched by Secretary of State Hillary Rodham Clinton during 2009–2010, the Quadrennial Diplomacy and Development Review (QDDR) Report is the Department of State's first attempt to appraise its strategic goals, internal operations, and resource management efforts in the lengthy, full-fledged manner done by the Department of Defense for its Quadrennial Defense Review Report. For this reason alone, the QDDR Report is a landmark accomplishment, regardless of how its many specific judgments and reforms are appraised. Going back 20 years and more, previous administrations regularly published detailed defense reports on military issues, but none of them offered comparable analysis of the State Department and related diplomatic tools in an era when the demands facing U.S. diplomacy were changing and growing. A step in the right direction was taken by Secretary of State Condoleezza Rice's report, *Transformational Diplomacy*, in the previous Bush administration. Building on these and other efforts, the QDDR Report goes a long way toward closing a still existing wide gap, thus offering readers a powerful tool for judging how U.S. diplomacy and development efforts are intended to work alongside defense efforts in the quest for protecting U.S. security interests and advancing other strategic goals.

A main strength of the QDDR Report is its penetrating treatment of the complex interplay between U.S. diplomatic operations and development endeavors, along with associated crisis prevention and response missions, in such troubled regions as the Greater Middle East, South Central Asia, and others with fragile states that are a breeding ground for violence and

terrorism. Beyond question, successfully handling this interplay is centrally important to contemporary U.S. foreign policy and, indeed, to the ongoing U.S. interventions in Iraq, Afghanistan, and other troubled countries. In addition, the QDDR Report pays attention to such important new-era issues as the global economy, energy, climate change, and multilateral activities. In virtually all of these areas, the QDDR Report largely focuses not on substantive policies, but instead on the internal structure and operations of the State Department, U.S. Agency for International Development (USAID), and interagency community, and it puts forth many constructive reform measures. The result is a clear, detailed sense of how the State Department and USAID should evolve and improve in these critical areas.

At the same time, the QDDR Report suffers from its lack of in-depth discussion of substantive policies in several key areas, thus producing a document that does an excellent job of looking inward, but not a comparable job of looking outward in all critical directions or of setting priorities among demanding goals and missions. An additional problem is a lack of material regarding how the State Department intends to form concrete political and diplomatic approaches for handling traditional diplomatic missions that are producing fresh challenges and for carrying out associated guidance on key strategic policies issued by the 2010 National Security Strategy. For example, the QDDR Report devotes little penetrating attention to handling big power relations and associated geopolitics, such as U.S. relations with China, North-east Asian security affairs, and Iran's quest for nuclear weapons, or to pursuing alliance reforms in key regions. Although the QDDR Report was not written for such purposes, this drawback means that it falls short of putting forth a comprehensive theory of U.S. foreign policy and associated strategic policies in the coming years. But a well-developed partial theory focused mainly on internal U.S. Government structures and operations for new-era diplomacy and development is far better than no theory at all.

Secretary Clinton's Introduction. The QDDR Report was issued in December 2010, the last of the major administration studies on national security issues, and totals 238 pages counting the executive summary and

text. It is a product of an extensive effort to consult not only State Department and USAID officials but also outside experts at home and abroad. The study's broad scope and attention to detail manifest the extent to which many people contributed to the process. In her transmittal letter, Secretary Clinton poses a key question: "How can we do better?" To answer this question, she directed that the QDDR Report should provide a thorough review of U.S. diplomacy and development, the core missions of State Department and USAID. The result, she states, is a QDDR Report that provides a sweeping reform agenda regarding how State Department and USAID are to operate collaboratively together and how U.S. civilian field missions in troubled areas are to be carried out.

Secretary Clinton's central argument is that in order to cope with a changing world, the United States must significantly enhance its civilian power: the combined force of civilians working together across the U.S. Government to practice diplomacy, carry out development projects, and prevent and respond to crises. She further argues that although many different agencies contribute to these efforts today, their work must become more unified, focused, and effective. To achieve this goal, she states that the State Department and USAID must play the lead role by providing a strategic framework and oversight on the ground, and by eliminating overlap, setting priorities, funding effective programs, and empowering U.S. officials. This empowering effort, she continues, begins with the overseas ambassadorial Chiefs of Mission, which now are to function as chief executive officers (CEOs) of multiagency missions and to play a bigger role in Washington policymaking. In addition, she calls for USAID to be reestablished as the world's premier development agency, to focus on core areas of expertise, to pursue innovation, and to develop better ways to measure results. Finally, she announces a host of structural and operational reforms within the State Department, all intended to upgrade its performance in handling new missions and remedying previous weaknesses.

In reflecting her guidance, the QDDR Report is anchored in the premise that State is already successfully handling classical diplomacy and related

traditional missions, and that the same positive judgment applies to USAID. Accordingly, the QDDR Report does not address these topics in any detail. Instead, it focuses on new challenges and missions, opportunities for improvement, areas of adaptation, and needs for further efficiencies. With this problem-oriented agenda in mind, the QDDR Report is organized into five chapters:

- Global Trends and Guiding Policy Principles
- Adapting to the Diplomatic Landscape of the 21st Century
- Elevating and Transforming Development to Deliver Results
- Preventing and Responding to Crisis, Conflicts, and Instability
- Working Smarter.

Global Trends and Guiding Policy Principles. In chapter one, the QDDR Report's call for enhanced civilian power and effectiveness reflects the judgment that current U.S. foreign policy is under-resourced in this important arena, and that emerging international trends mandate significant improvements to carry out new forms of diplomacy, development, and crisis management. While not questioning the continuing importance of U.S. military power, the QDDR Report points out that in many ways and places, U.S. foreign policy is carried out either mainly by civilians or by civilians working closely with military forces, as is the case in Iraq and Afghanistan. These civilian efforts typically are led by State Department and USAID personnel, but often involve close collaboration with other government agencies such as the Departments of Treasury, Commerce, Homeland Security, Justice, Agriculture, and Energy. A main challenge, the QDDR Report states, is to integrate such multidimensional civilian activities to form a whole-of-government approach so that they carry out U.S. foreign policy effectively and efficiently in complex, demanding settings. More civilian resources are needed, it judges, but equally important are improvements to attitudes, programs, and procedures so that maximum effectiveness is achieved with

available resources. The QDDR Report focuses squarely on identifying effects-producing reforms for meeting this challenge.

Chapter one initiates its analysis by putting forth a strategic perspective that reflects the 2010 National Security Strategy's main judgments regarding global threats, current opportunities, challenges, and future opportunities. The task of advancing U.S. interests, the QDDR Report states, involves ensuring deterrence and defense, preserving alliances, preventing new threats such as terrorism and nuclear proliferation, managing the global economy, and upholding American values. It further argues that:

- New global threats are emerging, including terrorism, violent extremism, economic shocks and disruptions, irreversible climate change, cyber attacks, transnational crime, and pandemics of infectious diseases.
- A new geopolitical and geo-economic landscape is evolving that is creating new centers of influence—for example, China, India, Brazil, and others—that are seeking greater voice, representation, and impact.
- Power is diffusing to a wide range of nonstate actors, including non-governmental organizations (NGOs) and others.
- Today's world, in many regions, is marked by costly conflicts, armed violence, and weak states.
- The information age has accelerated the pace of international change and produced a new era of connectivity.

To handle these trends, which embody a mixture of opportunity and danger, the QDDR Report puts forth a set of seven broad principles for guiding U.S. foreign policy, diplomacy, and development efforts:

- restore and sustain American leadership so that the United States is strong at home and influential abroad
- build a new global architecture of cooperation that will enable nations to form enduring partnerships for addressing common problems in

all critical regions, including Europe, Asia, the Middle East, South Asia, Africa, and the Western Hemisphere

- elevate the role of development in U.S. foreign policy and better integrate the power of development and diplomacy: development will require a new operational model that maximizes U.S. leverage at producing broad-based economic growth, democratic governance, major innovations, and sustainable systems for meeting basic human needs
- mobilize civil society and business to address common problems, thus creating partnerships with governments aimed at fostering development
- prevent violent conflict and reduce the growing costs of conflict by strengthening weak governments and their political leadership, thereby enhancing stability, peace, and progress in endangered regions
- integrate gender into U.S. diplomacy and development work by protecting and empowering women and girls in U.S. foreign policy agencies and abroad
- facilitate innovative, flexible, and tailored responses in an age of uncertainty, thereby enabling the United States to react effectively to fast-changing problems and opportunities.

Adapting to the Diplomatic Landscape of the 21st Century. Chapter two begins with a brief narrative asserting that although classical diplomacy—that is, state-to-state diplomacy among big powers—is still important, the new diplomatic landscape of the 21st century extends far beyond this traditional province. The new landscape, it argues, includes a more varied set of actors, including many more nation-states pursuing activist foreign policies as well as nongovernment actors (such as NGOs) and complex interactions in multiple arenas far beyond foreign ministries. Effective U.S. diplomacy, it states, must not only adapt to this new landscape, but also strive to shape it. As a result, it argues, U.S. diplomacy must be prepared to handle three new domains: lead demanding global civilian operations and whole-of-government approaches, deal with transnational forces and emerging centers of influence by building new partnerships and institutions, and deal with

new networks from the private sector to the private citizen. Handling these three domains, the QDDR Report states, will become core missions of the State Department. Accordingly, chapter two puts forth an ambitious agenda of 90 internal reform measures—for the State Department, Overseas Missions, Foreign Service, and civil service personnel—that is clustered into four sections:

- leading the implementation of global civilian operations within a unified strategic framework
- building and shaping a new global architecture of cooperation
- engaging beyond the nation-state
- equipping our people to carry out all our diplomatic missions.

The QDDR Report's analysis of reform measures to enhance implementation of global civilian operations is focused on two subsections: strengthening the role of Ambassadors as CEOs of multiagency missions; and improving interagency collaboration. It strives to upgrade the role of Ambassadors by taking steps to ensure that the National Security Council, other agencies, and U.S. Government personnel understand their accountability to Chiefs of Missions, engage Chiefs of Missions in interagency decisionmaking in Washington, prioritize interagency experience as a key preparation for service as a Chief of Mission, enhance the training and evaluation of Chiefs of Missions, and foster whole-of-government Embassy teams under leadership of Chiefs of Missions. Its analysis of measures to reform interagency collaboration includes steps to leverage the expertise of other agencies, prepare State Department personnel to operate effectively within the interagency, and enhance the State Department operational effectiveness in managing multiagency missions.

The QDDR Report's analysis of reform measures for better building and shaping a new global architecture of cooperation is clustered into five subsections: structuring the State Department for 21st-century global affairs, deepening engagement with close allies and partners, building relations with emerging centers of influence, building the State Department's capacities to

organize regionally and work through regional organizations, and updating the State Department's approach to handling multilateral diplomacy.

Within the first subsection, the QDDR Report offers multiple steps to internally restructure and reform the State Department. Prior to this report, the State Department had, in addition to USAID and the U.S. Mission to the United Nations, a structure of six Under Secretaries, each with separate responsibilities and multiple subordinate staffs, plus 14 smaller offices reporting directly to the Secretary of State. To reform this complex structure, the QDDR Report proposes measures to upgrade and expand the missions and capabilities of three functional Under Secretaries, maintain the Under Secretary for Political Affairs as a repository of classical diplomacy with some new assets for working with other offices, and improve the State Department in other ways. The central aim of these reforms is to preserve the State Department's well-developed assets for performing traditional missions while adding significant assets and organizational muscle for handling a wide spectrum of new-era challenges and responsibilities that range from managing the global economy and dealing with energy issues to addressing such threats as terrorism, cyber attack, and proliferation. The main measures include:

- creating an Under Secretary for Economic Growth, Energy, and the Environment—thus adding environment to this position's portfolio
- creating an Under Secretary for Civilian Security, Democracy, and Human Rights—thus adding security and human rights to this position's portfolio
- expanding the capacities of the Under Secretary for Arms Control and International Security Affairs
- establishing a new Bureau for Energy Resources
- appointing a chief economist for global economic issues as a key element of U.S. foreign policy
- establishing a Bureau for Counterterrorism
- establishing a Coordinator for Cyber Issues

- creating a new Bureau for Arms Control, Verification, and Compliance
- restructuring the Bureau of International Security and Nonproliferation.

Within the second subsection—deepening engagement with close allies and partners—the QDDR Report proposes to strengthen the U.S. Mission to the European Union, create a more systematic trilateral process with key Asian allies, bolster the U.S. commitment to Middle East partners, and strengthen North American institutions and relations with our closest neighbors. In addition, the QDDR Report proposes to work with North Atlantic Treaty Organization (NATO) Allies and partners to develop improved Alliance capabilities, and to use the newly created U.S.–European Union Energy Council to forge stronger transatlantic cooperation on global energy issues. Within the third subsection—building relations with emerging centers of influence—the QDDR Report proposes to strengthen strategic dialogues with these actors, deploy more U.S. personnel to these actors, and shift the U.S. consular presences to engage beyond national capitals. Within the fourth subsection—building regional capacities—the QDDR Report proposes to expand its internal focus beyond bilateral relationships to address regional priorities, elevate U.S. efforts to engage regional organizations, coordinate regional responses in the field by creating regional hubs in key U.S. Embassies, improve communication with regional actors and institutions, partner closely with the Defense Department in key places where U.S. military forces are present, and support such innovative regional initiatives as the Pathways to Progress in the Americas and the Lower Mekong Initiative. Within the fifth subsection—improving multilateral diplomacy—the QDDR Report proposes to strengthen the State Department’s Bureau of International Organization Affairs, strengthen the U.S. Mission to the United Nations, and elevate multilateral affairs in regional and functional bureaus.

Chapter two’s section on engaging beyond the nation-state begins by declaring that although state-to-state relations remain important, modern U.S. diplomacy requires the State Department to reach out to a broad set of nonstate actors. Such efforts, the QDDR Report asserts, must begin with

outreach to civil society in multiple regions and globally. Accordingly, it states, Secretary Clinton is launching a Strategic Dialogue with Civil Society aimed at advancing initiatives in areas where the United States and civil societies share objectives. In addition, this section advances analyses and recommendations in three subsections: public diplomacy, community diplomacy, and 21st-century statecraft. The overall aim is enhancing the State Department's capacities to support the important U.S. foreign policy objective of strengthening engagement not only with foreign governments, but also with their societies and cultures in ways that bolster communication and dialogue, and thereby to expand awareness of American intentions, purposes, and contributions to the common good.

The subsection on public diplomacy announces a roadmap, prepared by the Under Secretary for Public Diplomacy and Public Affairs, that is intended to align public diplomacy with U.S. foreign policy goals in ways that inform, inspire, and persuade foreign publics. As part of an effort to shape the global narrative, this subsection proposes to establish a new Deputy Assistant Secretary in the Bureau of Public Affairs who will oversee global media and outreach and expand media regional hubs to increase official U.S. voices and faces on foreign television, radio, and other outlets. In an effort to strengthen people-to-people relations, this subsection proposes to upgrade American Centers abroad, expand English language training and access to academic opportunities, and invest more in science, technology, and information networking. In an effort to counter violent extremism, this subsection proposes to create, within the State Department, a new Center for Strategic Counterterrorism Communication that will work with other offices and agencies that deal with this mission. In addition, this subsection proposes to establish Public Diplomacy Deputy Assistant Secretaries in all regional bureaus and to perform regular internal reviews aimed at setting proper goals, resources, and priorities for public diplomacy activities.

The subsection on community diplomacy aims at encouraging U.S. diplomats and other personnel to increase their efforts to build networks of contacts with foreign communities and showcase U.S. commitments to com-

mon purposes and universal values. The subsection on 21st-century statecraft proposes to use diplomats and modern technologies, such as computer networks and mobile phone networks, to enhance public-private partnerships that link American diplomats and development experts with the business community and civic leaders to advance such common goals as economic growth, public health, climate control, and human rights. In addition, it calls upon the State Department to streamline and improve the process by which public-private partnerships are developed by using the Global Partnership Initiative Office. Both subsections call for U.S. diplomats and other officials to develop improved skills in such outreach efforts to foreign communities.

Chapter two's final section—on equipping U.S. people to carry out all diplomatic missions—focuses on efforts to empower diplomats and other officials with the right tools, resources, and flexibility for performing new missions that require outreach to foreign governments, other actors, and civil society. It begins by noting the importance of developing new policies and procedures for protecting the safety and security of U.S. foreign-based personnel, balancing mission requirements against risks, and expanding the training of U.S. people for dealing with security challenges. It also calls for a streamlining of workloads and reporting requirements so that U.S. officials have greater time to perform their outreach and engagement missions. Finally, it calls for efforts to equip U.S. overseas personnel with improved digital information technologies to accomplish their jobs.

Elevating and Transforming Development to Deliver Results. Chapter three of the QDDR Report proposes to elevate development to become an equal pillar alongside diplomacy and defense as top U.S. foreign policy priorities, and to improve the process by which U.S. development policies are crafted and implemented so that better results are achieved. Fostering development, it argues, is a strategic, economic, and moral imperative because it offers a way to build an inclusive and prosperous global economy, strengthen failing states and combat violent extremism, encourage democracy and human rights, and acquire larger numbers of reliable, capable partners that can assist the United States in its strategic endeavors. Consistent with prior administration decisions

that created the first U.S. national development policy since 1961, the QDDR Report calls upon U.S. policies to focus on several areas where they can deliver meaningful results: food security, global health, global climate change, sustainable economic growth, democracy and governance, and humanitarian assistance while also elevating and redefining the approach to women and girls. To achieve results in these areas, it calls for vigorous development efforts by the U.S. Government that employ partnerships with domestic philanthropists and private remittances, foreign governments, multinational agencies, and corporate businesses. Such partnerships, it argues, can help add leverage to the limited U.S. development budgets that will be available in the coming years. Accordingly, the QDDR Report puts forth an agenda of change, reforms, and greater energy and effectiveness in four sections:

- focusing U.S. investments
- seeking high-impact development based on partnerships, innovation, and results
- building USAID as the preeminent global development institution
- transforming the State Department to support development.

Chapter three's section on focusing U.S. investments calls attention to three already launched administration initiatives as examples of how development efforts can be properly targeted: the Global Hunger and Food Security Initiative—Feed the Future (FtF), the Global Health Initiative (GHI), and the Global Climate Change Initiative (GCCCI). Whereas FtF seeks to increase food supply in impoverished regions, GHI seeks to strengthen public health and reduce disease, and GCCCI seeks to make low-emission, climate-resilient sustainable growth a key U.S. diplomatic priority. Building on these initiatives, the QDDR Report seeks additional ways to hone U.S. comparative advantages in economic growth, democracy and governance, humanitarian assistance, and empowering women. Fostering sustainable economic growth, it states, is the single most powerful force for eradicating poverty and expanding prosperity, and is best achieved when governments are committed and accountable, and can be motivated to encourage entrepreneurship, spend

capital wisely, invest in infrastructure and education, and expand trade. The challenge facing U.S. diplomacy and development policy, it states, is to encourage governments to pursue this path in ways that already have occurred in such countries as South Korea and Taiwan, which have transitioned from relative poverty to sustained growth and prosperity. In addition, the QDDR Report states, efforts to promote democracy and effective governance in responsive regions, provide humanitarian assistance to help alleviate emergencies and disasters in places such as Pakistan and Haiti, and promote gender equality by empowering women are important to helping underdeveloped countries not only to pursue economic growth, but also to achieve capable representative government and build modern civil societies. In all of these areas, the QDDR Report states, the United States can help achieve these critical goals, but its development policies must be focused wisely and effectively so they achieve their desired results.

Chapter three's section on seeking high-impact development judges that although past U.S. assistance has done considerable good across the world, the United States has too often focused on delivery of services rather than on producing systemic changes in the economies, governments, and societies being assisted. Accordingly, it calls for U.S. assistance to transform the ways in which it does business by shifting emphasis from aid to investment with more emphasis placed on helping host nations build sustainable systems of growth and development, and by crafting multiyear plans aimed at having cumulative impacts over the long term. A key element of this new strategy is to strengthen U.S. partnerships with host nation governments, other public and private donors that include 56 nations and 260 multilateral aid organizations, local implementers, the U.S. interagency community, and U.S.-based organizations. Another element of the strategy is to foster innovation as a key engine of economic growth by promoting new discoveries and scientific breakthroughs, by using new State Department and USAID offices for innovation in science, technology, and research to seek game-changing solutions to specific development problems, to increase research funds for high-risk, high-reward projects, to invest in promising new technological programs,

and to leverage the assets of the full Federal science community to find solutions to the next generation of shared development challenges. A final element of this strategy is a strong focus on achieving positive, concrete results by strengthening monitoring and evaluation and fostering greater predictability and transparency.

Chapter three's section on building USAID to become the preeminent global development institution acknowledges that over the past 15 years, USAID, which reports to the Secretary of State, has lost much its autonomy, many of its resources, and some of its key talent, all of which have conspired to diminish its operational effectiveness. The QDDR Report endeavors to reverse this downside by rebuilding USAID capabilities so that it can play a leading role in future development efforts. Accordingly, it launches a rebuilding strategy with three elements. The first element calls for strong efforts to build better USAID human capital by hiring more top development professionals as well as experts on evaluation, planning, resource management, research, and innovations. The second element calls for efforts to strengthen strategic capital and operational capacity by establishing better planning capacities, empowering multiyear development planning in the field, improving management of budgets and resources, and improving performance of field offices in delivering new services faster and more flexibly. The third element calls for steps to elevate the USAID voice in interagency deliberations in Washington, DC, in overseas field missions, and with foreign governments and other development institutions.

Chapter three's section on transforming the State Department in order to support development is also anchored in a strategy of three elements. The first element calls for the State Department to pursue "development diplomacy" by using its prowess to proactively support U.S. development policies and activities. The second element calls for measures to build development diplomacy as a discipline within the State Department by fostering development skill sets among its personnel and establishing institutional mechanisms to develop and promulgate guidance on best practices and management of resources. The third element calls for measures to strengthen

management of foreign assistance budgets and eliminate fragmentation by using a new Office of Foreign Assistance to work with senior State and USAID officials to review budgets, analyze new proposals, and allocate resources among programs in ways that produce better strategic planning and enhanced cost effectiveness.

Preventing and Responding to Crisis, Conflict, and Instability. Chapter four asserts that handling fragile states with weak or failed governance, internal conflict, and humanitarian emergencies has become a central security challenge for the United States. It argues that fragile states are often a breeding ground for not only internal violence but also terrorist groups that project their destructive actions outward, as occurred in 2001 when the Taliban government in Afghanistan enabled al Qaeda to gain the foothold that allowed it to attack the United States. For the past two decades, it states, the U.S. Government has recognized the need for an effective approach to fragile states, but has struggled to understand this challenge and organize its civilian institutions to cope with it. It states that while many of the necessary skills and capabilities exist at State, USAID, and other Federal agencies, these assets are not organized and focused to address the problem in sustained, effective ways. Too often, it asserts, U.S. reactions have been post hoc and ad hoc in ways that miss early opportunities for conflict prevention, struggle to organize U.S. responses properly, rely on outmoded strategies and field missions that are not prepared for the task, fail to properly coordinate resources and multiple agencies, fail to work closely with multilateral institutions and foreign governments, and do not cope adequately with unanticipated consequences of interventions. The time has arrived, it judges, for a new U.S. approach that transforms this recipe for failure into a strategy for effective responses and sustained success, one taking into account the likelihood that future operations will differ from those in Iraq and Afghanistan. Building on lessons learned from past failures and successes, the QDDR Report calls for efforts to:

- adopt a lead-agency approach between State and USAID as well as a complementary division of labor and joint operations between them

- bring together a cadre of experienced personnel to fill out a standing interagency response corps that can deploy quickly and operate effectively in the field
- develop a single planning process for conflict prevention and resolution missions in fragile states as well as standing guidance that does not depend on individual Embassies
- create better ways to coordinate civilian and military operations in the field in order to prevent and resolve conflicts, counterinsurgencies and illicit actors, and bring security to local populations
- coordinate and integrate assistance to foreign militaries, civilian police, and justice sectors
- work closely with such partners as host nations, other countries, and multilateral institutions
- strengthen U.S. capacity to anticipate crises and conflicts and to apply scarce resources wisely.

To carry out this agenda, the QDDR Report divides chapter four into three sections:

- embracing conflict prevention and response within fragile states as a core civilian mission
- executing conflict prevention and response in the field
- building a long-term foundation for peace under law through security and justice sector reform.

The first section strives to put forth measures aimed at enhancing U.S. capacity to treat conflict prevention and response as a core civilian mission. It puts forth a five-fold agenda of measures to better define missions, execute missions, reshape State Department structures to fit missions, expand USAID capacity for missions, and pursue whole-of-government approaches. The act of better defining missions, it states, requires recognition that U.S. operations will be required to cope with a wide spectrum of situations ranging from preventing conflict, to resolving conflict and violence, to fostering stability, to engaging in postconflict reconstruction and recovery. The act of better

executing such missions, it states, requires a U.S. Government division of labor in which the State Department will lead operations in response to political-security crises and conflicts, and USAID will lead humanitarian response operations. State and USAID, however, will cooperate closely in missions that require involvement from both, and proper leadership and coordinating authority will be delegated to field missions. The act of reshaping the State Department, it states, will require steps to unite departmental capabilities through the Under Secretary for Civilian Security, Democracy, and Human Rights, to create a Bureau for Conflict and Stabilization Operations under the Office of Coordinator for Reconstruction and Stabilization (S/CRS), and to build a stronger Civilian Response Corps. The act of expanding USAID capacities, it asserts, requires strengthening the Office of Transition Initiatives and regional bureaus as well as better staff assets for recovery and stabilization programming and operations. The act of pursuing whole-of-government approaches, it states, requires close civilian-military cooperation, a new International Operational Response Framework, and joint training of civilians in multiple Federal agencies.

Chapter four's section on executing conflict prevention and response in the field calls for creating a better deployable surge capability by upgrading the Civilian Response Corps with an active component that has appropriate skill sets and replacing the unfunded civilian reserve of 2,000 personnel with a smaller "Expert Corps" consisting of a roster of technical experts willing to participate in deployment operations. This section also calls for steps to better organize Embassies and USAID missions for conflict, crisis, and stability operations through better technical training, management skills, security arrangements, logistical support, and flexible use of resources. In addition, this section calls for better use of data and evidence to deliver results through such measures as state-of-the-art knowledge and training, sound operational and strategic guidance, careful measurement of operational effectiveness on the ground, and improved crisis forecasting. Finally, this section calls for improved operational coordination with allies and multilateral organizations,

building of better foreign police and military capacities, and modernization reforms for United Nations peace operations.

Chapter four's section on building a long-term foundation for peace under law through security and justice reform argues that if fragile states are to be stabilized, they require better internal security forces and judicial systems capable of maintaining law and order, protecting citizens, and administering justice against criminals. It further argues that although current U.S. capabilities often excel at training foreign militaries and police forces, they lack comparable assets at building judicial systems and rule of law programs. Accordingly, it asserts that U.S. assistance efforts in this critical arena need to be more comprehensive and better integrated in ways that enhance U.S. capabilities, create models for better in-country management, and foster host nation ownership of better security and justice systems.

Working Smarter. Chapter five aspires to improve the efficiency of the State Department and USAID at using scarce resources by proposing reforms to their personnel policies, procurement practices, and planning capabilities. Internally focused on how to shift emphasis from inputs to outputs, it contains four sections:

- building a 21st-century workforce
- managing contracting and procurement to better achieve missions
- planning, budgeting, and measuring for results
- delivering mutually supportive quality services and capturing further efficiencies in the field.

The first section observes that in recent years, demands on State Department and USAID personnel have expanded in order to perform new missions, and that the field presence of both agencies has enlarged significantly in frontline states such as Afghanistan, Pakistan, and Iraq. It argues that shortages in staffs and skills have been growing impediments to meeting new challenges there and elsewhere. Accordingly, it calls for larger numbers of personnel for both agencies, beginning with the 3,000 new Foreign Service and civil service personnel already authorized by Congress. But it also calls

for strong efforts to get maximum performance from the workforce by increasing its effectiveness and efficiency. Accordingly, it calls for steps to:

- marshal better expertise to address 21st-century challenges by hiring skilled personnel from outside State and USAID
- reward and better use the civil service by expanding overseas deployment opportunities, create new opportunities for converting to the Foreign Service, and strengthen career pathways for civil service personnel
- close the experience gap in the Foreign Service by tripling midlevel hiring at USAID, create more limited-term appointments for experienced personnel, and prepare surge hires to assume midlevel responsibilities
- recruit and retain highly skilled locally employed staff by establishing a new senior staff cadre and by ensuring that compensation and benefit plans reflect local markets
- train U.S. personnel for new missions by expanding training staffs, pursuing cross-training between State Department and USAID, tying training to promotion, increasing rotation assignments to other agencies and from other agencies to State and USAID, strengthening management training, launching a development studies program, and encouraging interagency training across the U.S. Government
- align incentives and recognize performance by rewarding innovation and entrepreneurship, and by aligning performance tools with new skills and priorities.

The second section notes that as State Department and USAID mission demands have increased, both agencies have resorted increasingly to hiring contractor personnel. To reduce resulting problems, this section calls for measures to balance the State and USAID workforce by relying more on direct-hire employees, elevating the performance of contracting officers, establishing a budget mechanism to fund contracting needs at USAID, using more fixed-price contracts, and establishing better oversight of large contracts. In addition, it calls for steps to increase competition among contractors

by using smaller and more focused awards at USAID and to increase small and disadvantaged business participation in foreign assistance contracting. Finally, this section calls for steps to build better local development leadership in this arena by strengthening the contracting capacities of foreign governments, local society, and the private sector.

The third section asserts that in order to use their resources efficiently, the State Department and USAID need an improved planning and budgetary process that allows for sound policy decisions and effective implementation. Important steps already have been taken by creating a Deputy Secretary of State for Management and Resources, which has brought greater coherence to strategic planning and budgeting, and by creating at USAID a new Office of Budget and Resource Management that will enhance that agency's capacity for executing the budget for development programs. As of 2013, it states, USAID will submit a comprehensive budget proposal that will be included in the broader State Department foreign assistance budget. It declares that further reforms are necessary in the following areas:

- elevate and strengthen strategic planning by establishing improved multiyear strategic plans at the State Department and USAID as well as associated plans for regional and functional bureaus and integrated country strategies with diplomatic and foreign assistance components
- align budgets to planning by transitioning to a multiyear budget formulation based on strategies for countries and bureaus
- create better monitoring and evaluation systems aimed at strengthening capacity to develop improved indicators, measure performance, and identify best practices
- streamline and rationalize planning, budgeting, and performance management by creating a coherent process that establishes priorities, translates these priorities into budgets, and provides accountability
- transition to an integrated national security budgeting and planning process by working with National Security Council staff, Defense Department, and other departments and agencies to create whole-of-government approaches in this arena—and use this process to

resource changing missions in Iraq and Afghanistan, establish an overseas contingency operations budget, pool funding for common projects, and achieve better budgetary coordination among contributing departments and agencies.

The fourth, final section deals with measures to deliver mutually supportive quality services and capture further efficiencies in the field. It mainly addresses steps to consolidate administrative services and to pursue information technology modernization at overseas posts. It establishes a high-level Administrative Board initially composed of State Department and USAID officials to pursue these aims.

Strengths, Shortfalls, and Lingering Issues. Because the QDDR Report is the first such report on the State Department and USAID, it must be judged on its own merits and unique features rather than in comparison to preceding documents. Owing not only to its length and detail, but also to its comprehensive treatment of many important issues, it makes a large contribution to crafting new approaches for managing the State Department and USAID, and it will serve as a standard bearer for writing future QDDR Reports in ways that complement the Defense Department's QDR Report. When read alongside the QDR Report of 2010, the QDDR Report helps fulfill the administration's mandate of putting forth coherent analyses for determining how diplomacy, development, and defense are to work together to advance U.S. security and strategic interests abroad. It makes a convincing case for its judgment that strengthening U.S. civilian power is critical to carrying out modern-era foreign policy and national security strategy. In reflecting Secretary Clinton's guidance on shaping its contents, it puts forth a sweeping reform agenda for the State Department and USAID that includes many provisions for changes in their internal structures and operations at home and abroad.

While many of its reforms are likely to be appraised as wise and constructive, others may be debated and challenged by critics. Regardless, the QDDR Report is best judged as a whole rather than for its particulars and details. The bottom line is whether the QDDR Report charts a sound path,

as Secretary Clinton argues, for enabling U.S. foreign policy to “do better” in future years. Whether it will succeed in this regard is to be seen. Deciding upon internal State/USAID reforms to structures and operations is one thing; fully implementing them so that they work effectively is something else again—and, in key ways, more challenging. As an old slogan holds, the proof of the pudding lies in the eating. Several years are likely to pass before the QDDR’s many reforms can be judged on the basis not only of their theoretical soundness, but also, more importantly, on their actual performance. For now, an appropriate conclusion is that the QDDR’s reform agenda seemingly is pointed in the right strategic direction.

The QDDR Report makes a strong case for more resources in manpower and budgets for the State Department and USAID. Its argument is fair; in particular, many outside observers have judged that U.S. foreign policy and diplomacy suffer from underfunded budgets, and that more skilled professionals are needed in multiple areas. The political problem, however, is that the era of ever expanding Federal budgets seemingly has passed, as Defense and other agencies are now finding out. The State Department and USAID are likely to be affected by future budgetary austerity in similar ways. If so, this will compel both of them to extract the maximum mileage from the budgets and manpower that will be available—a judgment about the need for efficiency and effectiveness that the QDDR Report shares.

If the QDDR Report is to be criticized on its own terms, its internal focus on reforming structures and operations rather than on outward-looking policies results in a lack of insightful material about the difficult task of setting priorities among new, proliferating State Department and USAID roles and missions. The QDDR Report puts forth a lengthy but abstract and general agenda on overseas goals to be pursued, missions performed, and responsibilities accepted, especially in unstable regions such as the Greater Middle East and South Central Asia. In the process, it does not convey a clear sense of limits and constraints or describe endeavors that must be sacrificed on behalf of other higher priorities. As the report makes clear, the United States will need to pursue demanding activities in its

diplomacy, development efforts, and crisis management policies in such regions in the coming years. But, just as clearly, the United States will not be able to handle all potential challenges at once with equal vigor. Priorities will have to be set and frustrating limitations acknowledged. A key question arises: What diplomatic, development, and crisis management goals must be scaled back and activities truncated in their pursuit? Owing to its inward focus, the QDDR Report does not answer this question or even seriously address it, but this does not make the question any less imperative as the future unfolds.

The QDDR Report's effort to restructure the State Department internally reflects the judgment that new and improved assets are needed to handle the rapid proliferation of new missions, responsibilities, and challenges facing U.S. foreign policy and diplomacy. The measures to upgrade several Under Secretaries, to add new bureaus and offices in such areas as foreign economic policy, energy, counterterrorism, and cyber security, and to beef up public diplomacy all arguably make sense. The payoff will be a new State Department that can strongly perform more functions in policy analysis and diplomatic leadership than now, including in areas critical to the administration's national security strategy. The drawback will be a State Department that, already known for its internecine battles and struggles to forge coordinated decisions, is more complex than now—and more challenging to lead. Even more than now, future Secretaries, Deputy Secretaries, and Under Secretaries will have their work cut out for them. A similar judgment applies to the idea of empowering Ambassadors as Chiefs of Missions so that they can better function as CEOs for directing multiagency activities in their countries and regions. This reform is clearly needed, especially in troubled spots where U.S. diplomacy and development require a host of different agencies pursuing distinct agendas plus close cooperation with host countries, partner countries, international organizations, and other actors. The challenge facing future Chiefs of Missions, even if they are empowered, will be to perform this difficult job and juggling act while also maintaining influential positions in Washington policymaking.

The QDDR Report's efforts to strengthen USAID internally, to grant it a newly influential role in forging development policy as part of the State Department, and to make it the world's preeminent development agency respond to the multiregional challenges facing the United States in this critical arena. As these reforms are implemented, time will tell whether USAID evolves along these desired lines and delivers better results than now. An equally important issue is whether, in response to the QDDR Report, U.S. development policy is now pointed in better strategic directions that could produce improved concrete results. The QDDR Report argues in favor of revised U.S. development and assistance efforts focused on making investments rather than on delivering services in ways that help targeted countries and regions to achieve self-sustaining economic growth and political progress, and on achieving high-impact results by working closely with other countries and actors to provide coordinated assistance efforts. This basic development strategy makes sense as a way to get more mileage out of scarce U.S. development and assistance resources and to achieve better collaboration with the plethora of aid efforts flowing from multiple countries, international organizations, and other actors. But the QDDR Report advances this strategy in abstract terms without providing much analysis of how individual regions and countries will be affected in ways that could require differing investment strategies and development agendas. Beyond this, the QDDR Report can be read as seemingly aspiring to ambitious worldwide development goals because it does not discuss specific priorities for U.S. regional strategies and country agendas, not all of which can be transformed overnight or even over many years. This is a shortfall; a better sense of priorities is needed to determine whether future U.S. development policies and strategies will be targeted in wise and effective ways.

The QDDR Report acts sensibly and insightfully in its efforts to elevate the goal of preventing and responding to crisis, conflict, and instability in fragile states to a key imperative of U.S. foreign policy and diplomacy. As it states, the multiplicity and diversity of challenges in this arena, which go beyond Iraq and Afghanistan, require a better planning process and sound

strategic guidance for shaping and calibrating U.S. activities in differing places. Keys to this endeavor are the acts of defining and executing missions, achieving close civilian-military collaboration, pursuing whole-of-government approaches, and working with partners in sustained, effective ways. The QDDR's division of labor between the State Department and USAID, with the former leading political-military crisis missions and the latter leading humanitarian assistance efforts, provides a path to deconflicting and harmonizing the activities of both agencies. Of special significance is the QDDR Report's decision to create, at the State Department, a Bureau for Conflict and Stabilization Operations under S/CRS. Also important is the decision to continue building a strong Civilian Response Corps of active personnel, but the accompanying decision to scale back its civilian reserve component to a smaller Expert Corps risks having too few personnel if multiple missions must be performed.

Throughout, the QDDR Report strongly emphasizes the need for the State Department and USAID to do a better job of managing resources. It makes the case for more State/USAID personnel, but it also puts forth an activist agenda for better using existing manpower resources by hiring more skilled experts from outside the two agencies, doing a better job of training, and fostering other improvements to the Foreign Service and civil service. Its measures to improve contracting procedures and to do a better job of relying upon government employees to reduce reliance on private contractors are sound. The QDDR Report also deserves high marks for its emphasis on fostering improvements to strategic planning, multiyear budgeting, and use of output measures and metrics—areas where State traditionally has not been as strong as Defense. Whether the State Department and USAID will succeed in their agenda to better link plans and budgets to personnel and operations is to be seen. The QDDR Report also calls for efforts to do a better job of developing interagency plans for budgets and resources, but progress in this important arena lies mainly beyond its province.

Finally, the QDDR Report suffers from a key shortfall in its failure to address emerging changes to classical diplomacy and the need for the State

Department to pursue internal reforms to deal with them. Possibly because the QDDR Report was not written to address this issue in any detail, it tends to assume that classical diplomacy will be a constant in the future strategic equation and that the State Department is both handling associated challenges effectively and is properly organized for dealing with them. In its first two chapters, the QDDR Report earmarks these challenges, but it discusses them only briefly, and it does not put forth a well-articulated set of policies, strategies, and efforts to deal with them. A strong case can be made, however, that classical diplomacy is a fast-changing variable, not a constant. New challenges are emerging in such areas as handling big power geopolitical relations with Russia and China, creating new regional security architectures, deterring new nuclear powers and other potential rivals, and reforming alliances so that new missions can be performed. In these areas, new types of thinking and calculating will be needed about U.S. foreign policy, the relationship between civilian and military power, and diplomatic goals and strategies. To address this demanding agenda, the State Department may need to address how its Office of the Under Secretary for Political Affairs and its Bureau of Political-Military Affairs are to be staffed, structured, and operated. For both offices, an agenda of reform may be necessary. The QDDR Report's silence does not make this issue any less important.