With no shortage of crises on the global stage, there is much to unpack from the Administration's budget request this week. We took a close look at the national security implications of what I see as a significant and serious call for America's civilian footprint overseas.

Read below for my quick Top 7 Takeaways from the Administration's latest budget and what it means for confronting the growing global threats, countering Russia and China, preventing the next pandemic, and protecting the security and economic interests of American families.

Top 7 Takeaways from the Administration's Latest Budget for International Affairs *March 30, 2021*

#1 The Global Topline: Significant and Serious Increase Amid Unprecedented Threats

- Recognizing that America is facing a "moment of profound disruptions" on the global stage, the Administration's request would **boost overall funding for the International** Affairs Budget by 17% compared to the Fiscal Year 2022 enacted level.
- While this is undoubtedly a significant and serious proposal, the context matters and there are two realities we must keep in mind.
 - First as global crises continue to spiral from Putin's invasion of Ukraine to acute global hunger to an ongoing global pandemic to the fastest growing refugee crisis since World War II – military and business leaders have been sounding the alarm bell that more is needed to meet the unprecedented scope and scale of these threats at a time when America's leadership and interests are at stake.
 - Second the final FY22 spending deal fell <u>far short</u> from what the Administration and Congress initially outlined – providing only a 1% increase for international affairs programs and forcing the U.S. to play catch up. In fact, if the FY22 spending level had reflected last year's request or initial congressional bills, the proposed increase this year would only be approximately 5 to 8%.

#2 Russia: Doubling Down to Counter the Threat of Rising Authoritarianism

- On the heels of Russia's invasion of Ukraine, the Administration's request includes a 97% increase in funding for Assistance to Europe, Eurasia, and Central Asia (AEECA) to counter Russian aggression and promote economic growth and democratic governance. Notably, nearly half of these resources are specifically designated for Ukraine.
- The proposal also includes a 12% increase for democracy, human rights, and governance programs – building on the commitments made at the Administration's global Summit for Democracy and in preparation for a second summit, likely later this year.
- Global development experts will also be watching to ensure that funding for the Ukraine crisis isn't drawn from other critical priority areas and regions, particularly given the dynamic situation and significant unknowns in how the needs will shift when it comes to support for the Ukrainian people.

#3 China: Competing with China from a Position of Strength

- Reflecting the Administration's continued focus on ensuring the U.S. is well positioned to "effectively compete" with China – similarly a top priority for both Democrats and Republicans in Congress – the request includes critical resources for the U.S. Indo-Pacific Strategy.
- There is also a 33% increase for the Countering the People's Republic of China (PRC) Malign Influence Fund to deter aggression against partners and allies, promote transparency, combat corruption, and advance critical U.S. interests globally. Not surprisingly, the Administration's budget also signals its commitment to countering Chinese influence not only in the Indo-Pacific, but also in Africa, the Middle East, and Central Asia.

#4 Global Health: New Resources to Fight Disease and Prevent Pandemics

- As COVID-19 continues to impact the world, the request increases overall funding for global health programs by 8%. Of note, \$1 billion of this is designated for global health security – a 42% increase from current levels. While this is certainly a step in the right direction, global health experts have outlined vast resource needs to combat the global pandemic and prevent backsliding on other critical global health priorities.
- As the U.S. prepares to host the Global Fund's Seventh Replenishment Conference, the request specifically includes \$2 billion for The Global Fund to Fight AIDS, Tuberculosis and Malaria – a 28% increase – as part of a three-year \$6 billion commitment.
- Notably, the Administration is also proposing \$6.5 billion in mandatory spending over five years for "transformative investments" in global pandemic and other biological threat preparedness. This is a significant new use of mandatory funding – which Congress will certainly review – to position the U.S. to take an aggressive approach to resourcing pandemic prevention.

#5 Humanitarian Assistance: A Significant Boost to Address Acute Crises

- As global events accelerate humanitarian crises and conflict around the world from 45 million people on the brink of famine and the fastest moving refugee crisis since World War II the Administration calls for a 22% increase in overall funding for humanitarian assistance compared to current levels.
- While recent emergency supplementals have provided urgently needed funding surges for acute, new humanitarian emergencies, as these crises become enduring challenges it is essential that the regular budget reflects increased needs. As a reminder, the FY22 spending deal actually cut non-emergency humanitarian assistance by over \$1 billion.
- A growing global food crisis is at the heart of some of the greatest humanitarian concerns exacerbated by pandemic-related disruptions, Russia's invasion of Ukraine, and droughts, among other challenges. The Administration has proposed increasing the International Disaster Assistance account by 20%, which includes funding for emergency food assistance. In addition, the request prioritizes \$1 billion in "bilateral agriculture and food security" programming. However, with some food security programs seeing small decreases or remaining flat, Congress will surely be looking at any gaps that may need to be filled in America's global food aid programs and hunger response.

#6 Strategic Priorities: Significant Investments for Key Areas of Focus

- Multilateral Investments: The request proposes to strengthen U.S. leadership in international organizations, including through a 55% increase to fully fund UN peacekeeping operations and pay remaining arrears.
- Climate Change: The request roughly doubles funding for international climate change programs at the State Department and USAID to scale up efforts to support developing countries to promote adaptation, enhance resilience, and increase access to renewable energy.
- Gender: The request proposes the largest-ever investment in programs that advance gender equality and empowerment of women and girls – a total of \$2.6 billion across all accounts. This includes increased funding to combat gender-based violence, strengthen women's participation in peace and security, and empower women economically.

#7 Personnel: New Resources to Strengthen America's Foreign Affairs Workforce

- In line with the Administration's commitment to revitalize and diversify America's diplomatic and development workforce, the request increases funding for the State Department and USAID accounts that fund personnel and the U.S. diplomatic presence around the world by 5% and 7%, respectively.
- The request also advances both agencies' diversity, equity, inclusion, and accessibility (DEIA) goals, including through increased paid internships, expanded recruitment and retention initiatives, and targeted fellowship programs.
- These proposed increases would allow the State Department and USAID to add new Foreign Service and Civil Service positions to ensure critical capacity to advance U.S. interests and values at an unprecedented time of global threats.

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