
Foreign Policy on the Cheap: You Get What You Pay For

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The council's program says that I am going to talk to you about the international affairs budget. Don't worry, I am not going to bore you with a talk about a budget. Any group brave enough to come out to hear anything described as a talk on a budget deserves better. No, what we need to talk about is our foreign policy, and when I say foreign policy I don't just mean the day-to-day crises we must manage—I mean the policy that defines our overriding objectives. What it is we are trying to get done in the world, why we are trying to do it, how we are trying to get it done, and what it all means to you. Because, if there is one message I want to leave with you tonight, it is that American leadership in the world serves your interests—even more, it is vital to your interests. And if we do not exert that leadership we—and maybe more importantly our children—will pay an enormous price later on. Is this hyperbole? Let's check it against the facts, and you be the judge.

First, erase from your minds any preconceptions you have about foreign aid. A couple of months ago, the University of Maryland conducted a poll that showed that the American people think that we give—on average—18 percent of our budget in foreign aid. The fact is, foreign aid uses less than 1 percent of the budget. Our entire international affairs establishment costs barely over 1 percent—1 percent! The American people, it turns out, think that the right amount of foreign aid to give would be about 8 percent of the budget—8 percent of the budget. I'll take it.

Our country spends more on killing garden weeds than it does on foreign aid. And, if you thought that we were the most generous providers of foreign aid, think again. Of the 21 OECD countries [Organization for Economic Cooperation and Development]—the wealthiest in the world—we rank dead last in the percentage of our wealth that we give in foreign aid. The overall foreign affairs budget has been reduced by 45 percent in the last 10 years. I hear the freshmen Members of Congress clamoring to balance the budget by cutting foreign aid. Sorry—that well is dry.

So, I ask you to suspend preconceptions. Things are not what they seem to be. We are not propping up the United Nations with fistfuls of dollars. We are dragging it down with unpaid bills. Our country owes the UN \$2 billion in overdue bills. While you weren't looking, we became the world's number-one deadbeat.

So what, you might say. We have problems at home that we have to solve. These are hard times. We cannot afford to give money away overseas while crime runs amok on our streets, while ghettos fester, while our educational standards sink, and our infrastructure corrodes. If that is what you think, I agree with you. Let's end the giveaways and focus our charity here at home, where it is needed. The problem is that the overseas charity, or just about all of it,

ended years ago. What is left is the bare minimum necessary to protect our interests. Let me show you what I mean. We divide our efforts into six objectives.

AMERICAN PROSPERITY AND JOBS

The first is to promote American prosperity and jobs. We spent \$1 billion last year helping our companies export products. Our increase in exports is driving our economic recovery. This \$1 billion translates into \$15 - \$20 billion in exports and up to 300,000 American jobs.

The \$1 billion does not tell you the whole story. Businesses pay for the services they receive. The reflows go to the Treasury, and the exports generate taxes. The total receipts generated by these programs are greater than the cost of the programs themselves. These efforts actually reduce the deficit. Does it make any sense whatsoever to cut these programs?

Now, I know what you are thinking—these programs are not foreign aid. These programs are designed to help Americans. How about the rest of what we spend?

PROMOTING DEMOCRACY

We spend a little over \$1 billion a year to promote democracy and to consolidate the gains we made in the Cold War. Fighting the Cold War cost us trillions of dollars. We won the war. We have not yet won the winning.

How utterly foolish it would be to have fought so long and at such risk only to squander our unique opportunity to nail down our victory. Our programs are bringing democracy and market reforms to the former Soviet Union and to Central Europe. With each passing day, we make it less likely that these regions will ever again return to the path of totalitarianism. Each day makes it a little less likely that we will once again face the nuclear specter we faced for most of the period since World War II. For this we spend \$1 billion—we probably spend \$1 billion each year on toothpicks. I used to handle Central America. I know we spend several times that amount each year on bananas. In the big scheme of things, these are small sums being spent to ensure major gains on behalf of the American people. These are not giveaway programs or charity. These are hard-headed programs designed to keep you and me safe and free. They are cost-effective, and they are working.

Again, you might argue that this really is a prudent geostrategic investment—not really foreign aid. You would be right. Let's turn to the basket of programs that are most frequently labeled foreign aid and see what we have there.

GLOBAL PROBLEMS

How many of you are familiar with the charts that show the increase in world population over the past millennium and for the next 100 years? I am sure you have all seen those lines that hugged the bottom of the chart until a few years ago and which go through the roof in the next few years. This is the direction of global population trends. Think about this! The world is increasing by one Mexico a year. It is growing by one China every decade. Is there anyone in this audience who believes that this trend will not seriously and negatively impact on the lives of our children and our grandchildren? We are all concerned that we not leave our children with a staggering national debt. Are we not also concerned that we may end up leaving our children to cope in a world with staggering overpopulation? The human race is approaching 5 billion today. By the year 2050, it will reach 12 billion if we do nothing. With our leadership—the kind we brought to the World Population Conference in Cairo this past year—we can stabilize population growth at around the 8 billion level. The choice is yours.

The budget you hear described as foreign aid is the budget that responds to this issue. You be the judge. Is this foreign aid, or is this a prudent investment in our future?

As people proliferate and economies grow, we face another threat—the state of the environment. You cannot be from Washington [State] and not understand this issue. The mountains, the lakes, the clean air—those of us raised here consider it a birthright. But it is really a responsibility. If you think the air will always be clean, ask your new neighbor who just moved here from California.

Again, this so-called foreign aid budget is the budget that protects you from ozone-layer depletion. This foreign aid budget is the budget that ensures global cooperation on the threat of global warming. This foreign aid budget ensures international cooperation on water and air pollution. Do you have any idea how many billions of dollars we spend reducing greenhouse gas emissions here in the United States? Yet, pollution has the same effect on our atmosphere no matter where it comes from. We get four times as much pollution relief per dollar spent in Brazil than we do trying to wring the last bit of emissions out of our industry here at home.

Have you thought recently about sperm counts? I thought so. The average sperm count of males around the world has declined by about 2 percent a year over the past many years. Why? Scientists disagree. Is it, as many suspect, a side-effect of environmental pollution? This is the budget that funds the international cooperation programs necessary to track this down. I know what you are thinking—if sperm counts are down so much maybe we don't need to worry too much about the population problem. Maybe you're right. Do you want to take the chance?

I could go on. This foreign aid budget funded our successful international campaign against smallpox. It is paying for the international part of our current campaign against polio. It is the budget that deals with international cooperation on AIDS and new threats such as the Ebola virus. Diseases, like pollution, know no borders. When we fight them globally, we do so to protect Americans.

What happens to you when you step on an airplane and go overseas? There are international aviation agreements and organizations that ensure air safety to protect Americans from death and injury. You will not be surprised to hear that they are funded by this budget.

I spend a lot of my time talking to Members of Congress and their staffs. They find it frustrating—sometimes I do too. Many of them hate foreign aid. And when they say that they want to cut this or that program, I tell them what the consequences are going to be. The consequences are always bad for America—bad for Americans. They continue to look for the foreign aid in the foreign aid budget. Well, I'm here to tell you it isn't there. Actually, let me modify that statement slightly. There is something we pay for that really is foreign aid.

HUMANITARIAN ASSISTANCE

Each year, we spend \$1.5-\$2 billion on genuine honest-to-God humanitarian assistance—money to help refugees, to feed starving people, to help the victims of disasters. Here, you might say, is the one budget which does not relate directly to the economic or geostrategic interests of the American people—though I might give you an argument on that even in this budget category. Interestingly, this is the one budget category that enjoys overwhelming bipartisan support in the Congress and, of course, within the Administration. Nobody votes against the one part of the budget that probably best fits the description of foreign aid. There is hope for America.

You can see that there is a lot that your government is doing with your so-called foreign aid dollars that you probably didn't realize was going on. I have to admit to you that I worked in the business of American diplomacy for 25 years before I came to understand the full scope of what it is that we were doing. Those of us who worked the Cold War issues were so consumed by them that we did not see how small and interrelated the world had become and how important international affairs had become to protecting the security, health, safety, and jobs of the American people. We are a big organization, and it took us a long time to jettison our Cold War blinders. It has taken us too long to get in touch with the American people to make sure everyone understands what we need to do to succeed in this new and smaller world.

Now, just because we no longer have a Cold War does not mean that we don't have geopolitical interests and objectives. On the contrary, at least some of the burden for handling these issues has moved from the Department of Defense to the international affairs agencies in the post-Cold War era.

PURSUIT OF PEACE

In pursuit of peace, we spend more than \$5 billion a year on the Middle East—mainly Egypt and Israel. Those countries seem a long way away from Seattle—until you have a crisis; until you or your children are fighting in a Gulf war; or until we have an oil crisis, like we had in the 1970s that costs us not \$5 billion but hundreds of billions of dollars.

Against all odds, we have made remarkable progress in the Middle East over a span of two Republican and two Democratic administrations. We are at the edge of major breakthroughs which have profound significance for our future with this strategic region. This is not the moment to waver in our support—a fact that is well understood, I am pleased to say, in Congress.

Our peace budget also includes the funds necessary for international peacekeeping, which costs us nearly \$1 billion a year—half going to our efforts to bring peace to Bosnia. You have to shake your head at the debate on this issue. Look at the facts. We use peacekeeping to advance our geostrategic interests. In most cases we do not have to risk the lives of American kids. I have a 16-year-old boy. I like this program, and I am willing to pay the \$3.60 a year it costs me, as an American, to keep it going. I like the fact that we save American lives and get other countries to pick up 75 percent of the costs. The problem is that the Congress won't pay the 25 percent. We are \$1 billion in debt to the UN on peacekeeping—and we are accusing them of fiscal irresponsibility—not a situation of which we can be proud.

What else in peace? This budget pays to prevent nuclear weapons proliferation. The agreements which will keep North Korea from developing a nuclear weapons capability will cost \$22 million next year. Compare this with the \$4 billion the Japanese and South Koreans are putting up! Compare this with costs we will pay if the effort fails and North Korea develops nuclear weapons with which to blackmail the world. The guy who negotiated this deal for us deserves a medal. When I last looked, the Congress was thinking of cutting the \$22 million.

Do you think we can not afford foreign aid because we have to fight crime and drugs? What budget do you suppose pays for our country's fight against international crime and drug cartels? You got it.

What about terrorism? This budget funds our anti-terrorism effort at a level equal to 1 percent of the cost to us of the World Trade Center bombing in New York.

As you probably have guessed, I could go on all night with these examples of how international affairs are affecting virtually every minute of your lives and mine, and I apologize if I seem to be hammering them at you. I really believe there is a lot at stake here—that you would be horrified to know how much of your future we are on the verge of compromising because of the isolationist trends in our country.

ADVANCING DIPLOMACY

Let me stop at one more category. We call it advancing diplomacy. This is the name we give to the combined efforts of our Foreign Service personnel overseas and their home-based support. These are the people who give you your passports—6 million last year. When you get in trouble overseas and are desperate for help, these are the people who come to your assistance—1.6 million times last year. When there is tough negotiation to take on with the Japanese or the Canadians on fishing rights or trade, when we as a nation need to know and understand what is going on in this or that place—these are the people who get the job done.

You won't find a more dedicated group; they serve in the most remote corners of the world. The pay is lousy. The living conditions can be great—if you get lucky and are sent to Paris—or abysmal if you are at many of the 250 other places they are stationed around the world.

The risks are substantial. Before you sign up for the Foreign Service, walk into the State Department and look at the memorial plaques in the front hall. I did, and I still do. I joined the Foreign Service in 1965, when there were 72 names of Foreign Service officers killed in action on that wall—covering American history since 1780. Today, 30 years later, there are 185 names on the wall. Colleagues, friends—one who worked for me in Vietnam, my boss in Vietnam, my office-mate in Paris, a close friend killed as Ambassador to Pakistan, my Consul General in Oran. It is an occupation that is hard on people, on health, and on family.

Why do these people do it? They do it because they believe in our country. They want to make a difference. They want to serve. Today, more than ever before, what they do impacts on you—your job, your physical security, your freedoms, your safety, the air you breathe, and most importantly, they are on the front lines of defining the kind of world in which your children and grandchildren are going to live. They are there to support you. To support you, they need your support. Each day we add new demands to our foreign policy. You cannot meet these demands running a foreign policy on the cheap. You get what you pay for.