A conversation with Ben Leo on September 3, 2013

Participants:

- Ben Leo – Senior Fellow, Director of Rethinking US Foreign Assistance Program, Center of Global Development
- Alexander Berger – Senior Research Analyst, GiveWell
- Sean Conley – Research Analyst, GiveWell

Note: This set of notes was compiled by GiveWell and gives an overview of the major points made by Ben Leo.

Summary

GiveWell spoke with Ben Leo as part of its shallow investigation of ways to improve US foreign aid. Mr. Leo discussed the work of the ONE Campaign, where he recently spent two years as Global Policy Director, and the work of the Center for Global Development (CGD), the organization he rejoined after his work at ONE. Other conversation topics included the US government's Power Africa initiative, the current state of the field of foreign aid, and other organizations in the space.

The ONE Campaign's approach to picking policy areas

The ONE Campaign works mainly on issues affecting sub-Saharan Africa. To select issues, ONE considers factors such as the issue's potential for impact and the needs in the area. Mr. Leo pushed the organization to consider the issues ordinary African citizens cite in surveys as the most pressing problems for their nations or themselves. Although the answers vary by country and region, in sub-Saharan Africa respondents tend to overwhelmingly say that the most pressing national problems are jobs and income, followed by infrastructure (e.g. electricity), with food security and macroeconomic management also near the top. Issues that Westerners might expect to be at the top of the list actually turn out to be closer to the bottom, such as health, education, and governance. ONE now has a campaign to increase access to reliable energy in Africa, and works very closely with the Obama administration, including having worked on the development of the Power Africa initiative.

Power Africa

The impetus for what became Power Africa came about when Michael Froman – who is now US Trade Representative, but at the time was President Obama's principal economic advisor at the National Security Council – took a trip to Africa with Gayle Smith, Obama's chief development advisor. They met with businesses, donors, and agencies and found that what was restricting opportunities and holding back African economies' ability to compete in the global marketplace was a lack of affordable, reliable power and a lack of transport infrastructure.

After that trip, Michael Froman launched a 9-month inter-agency process to think about possible actions the US government could take. ONE and CGD shared ideas, some of which

were adopted. Simultaneously, ONE and CGD worked to create sustainable bipartisan support for the proposals on Capitol Hill. Because energy and infrastructure issues require long-term policy, it is important that the political support remains steady over the long run, so lots of spadework is necessary to make sure that legislators feel invested in the policy.

President Obama's recent trip to Africa was planned independently of the Power Africa initiative. The trip was a chance to meet some African leaders and also had the strategic intention of communicating that US policy in sub-Saharan Africa will be increasingly about trade, investment, and economic opportunities, not just aid, education, and health. Press coverage of the trip was fairly negative in the first few days, but became much more positive after the announcement of Power Africa.

Foreign aid

The foreign aid landscape is at a crossroads. Domestic spending in sub-Saharan Africa has grown drastically over the last 10-15 years. African governments spent around $80 billion in 2000, and are projected to spend $450 billion annually by 2015. Foreign aid has increased substantially over that time period, but that increase is small relative to the increase in domestic expenditure. This dramatic change means that it may be necessary to re-think the role of foreign aid: whether it should be a safety net of last resort or whether it should focus on what people are most concerned about and structural changes to economies and populations – that is, whether there should be a shift from a focus on distributing nets, vaccinations, etc. to using a broader set of development policy tools, such as foreign investment, to promote opportunities across the entire economy.

CGD's Rethinking US Development Policy program and strategy

Given the current situation in foreign aid, Mr. Leo intends to broaden the focus of CGD's Rethinking US Foreign Assistance Program beyond foreign aid to bring some new perspectives into the current development debate. (One aspect of that is renaming the program the Rethinking US Development Policy program.) The program will try to address the questions above and will consider the current issues with and around foreign aid, in addition to continuing traditional work such as monitoring US presidential programs like Feed the Future and Power Africa.

For the time being the program will involve, in addition to Mr. Leo, a research assistant, a program associate who will do some writing and follow developments in the field, and a senior policy associate.

The program's strategy to influence policy involves circulating written products to target key policy makers: a few high-level people in the executive branch, particular people on Capitol Hill, staffers on select committees, and thought leaders in the community. The papers are also distributed more broadly, but targeting key influencers is important. The group will also hold public and private events, write blog posts, and do spadework with the media.

CGD's comparative advantage is in creating practical policy ideas and innovative new research and analysis, which can then be taken forward by others. Once a concrete policy idea is in place, enlisting groups like ONE which have people on the ground can be very effective to drive that idea forward in a mass-mobilized way. CGD has a strong network and does a good job of getting ideas out through political contacts, personal networks of staff members and through social media. For example, Mr. Leo wrote a paper on how to divide Sudan's debt when the country split and his ideas got enough traction that he was hired by the African Union to mediate discussions on the topic.

The eventual output of the Rethinking US Development Policy program is hard to predict at this stage, as many ideas are still being developed, but potential outcomes might include policy recommendations for the future of organizations like the Millennium Challenge Corporation or the Overseas Private Investment Corporation (OPIC). Mr. Leo has worked with Todd Moss on increasing the flexibility and capabilities of OPIC, which could be especially important in an austere budget environment because it requires no congressional appropriations. It currently has $13 billion in capital that it isn't utilizing because of various constraints.

There is currently a unique opportunity for policy proposals, as the Obama administration is increasingly focused on legacy and has an appetite for new ideas. This appetite will likely last for another year to 18 months. Proposals are unlikely to be adapted entirely, but sensible ideas may spur many related policies.

Other organizations

CGD and ONE are unique in Washington, DC in that they cut across the field of development policy broadly. International Budget Partnership, which focuses on international budget transparency, and Publish What You Pay, which focuses on aid transparency, are interesting niche players in the transparency space, which is a growing area. The Center for Strategic and International Studies and the Brookings Institution do interesting work in the foreign aid space as well.

ONE is the clear leader in the advocacy space, both nationally and globally. It grew very fast for a number of years and has plateaued recently, with a budget size of roughly $30 million dollars and around 160 staff. The policy team has about 20 staff and is grouped into thematic areas.

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