

SIS 419.004/653.004 (USFP)

The Politics of Foreign Policy and National Security Budgeting Spring 2012

Thursday 2:35-5:15
Location: 205 WARD

Prof. Gordon Adams
Office hrs: W 3-5; Th 10-12
Office: 310 SIS
e-mail: gadams@american.edu

Premises of the course

The premise of this course is: **“no budget; no policy!”** Government policy can only be implemented if there are resources to pay for the people and programs implementing the policy. The budget process recognizes this reality: the principal context for policy and program planning in the federal government is the budget process. This is as true for foreign and national security policies and programs as it is for any other areas of public policy. Reversing global warming, building and supporting military forces, training Afghani soldiers and police, gathering intelligence on and combating terrorist organizations, preventing and treating the global spread of HIV/AIDS, negotiating an arms control agreement, stopping ships carrying materials for nuclear weapons, helping countries recover from a tsunami, protecting airline passengers, recovering from Hurricane Katrina, implementing arms control inspections, supporting the outcomes of the Arab Spring, containing China, all require funding. The budget process is at the heart of foreign and national security policy.

The second premise of the course is that the **US has a broad set of tools** in its foreign and national security policy toolkit: diplomacy, foreign assistance, international economic policy, intelligence, homeland security, and the military. Discussions of US foreign policy and national security focus too often on the roles and missions of the armed forces, but the military is only one tool of policy. This course deliberately broadens that discussion to cover the budget processes for all the tools in the foreign policy toolkit

A third premise is that **budgeting is a responsibility of both the executive branch and the Congress**, as Article 1, Sections eight and nine of the constitution make clear: Congress has the authority to “provide for the common defense..., regulate...foreign commerce,..raise and support armies, [and] provide and maintain a navy” (Art.1, Sec.8)." Equally important for students of the budget: "No money shall be drawn from the treasury, but in consequence of appropriations made by law," (Art.1,Sec.9) appropriations being acts of the Congress. The authority to provide resources for the operations of government and the tools of statecraft is explicitly shared between the executive branch and in the Congress; the class will cover the budget processes of both the executive and the congressional branches.

The fourth premise is that **although the federal budget process, language, and details are sometimes technical and arcane, at its core, budget-making is a political process.** As the subtitle of the Schick text says, federal budgeting is about “politics, policy, and process.” We will spend time on process and technical issues and terms, examine how policy is reflected in budgeting, and dig deeply into the politics of the process, from the agency, interagency, White House, and congressional perspectives.

Learning Objectives

1. Acquire a familiarity with the planning and budgeting concepts, categories, terms, and processes used to prepare foreign policy and national security budgets in the executive branch.
2. Learn to research executive branch agency structure, programs, budgets, and stakeholders.
3. Learn to write a summary briefing on complex agency programmatic and budgetary information for a policy official
4. Learn to research and analyze federal budget data using multiple sources and documentation.
5. Become familiar with the congressional budget process
6. Experience, through simulation, the work of an OMB budget examiner, developing an understanding of agency and inter-agency planning and budgeting and the process of analyzing and briefing that understanding.

Learning Outcomes

- 1) Demonstrate the capacity to use federal budget concepts and terms;
- 2) Demonstrate the capacity to research an executive branch agency's structure, programs, budgets, and stakeholders and provide a written background briefing on these topics for a senior agency official;
- 3) Demonstrate the ability to access and understand federal budget data, using multiple sources;
- 4) Demonstrate knowledge of the congressional budget process;
- 5) Demonstrate the ability to analyze the politics of foreign policy/national security budgeting;
- 6) Display the ability to work in a team process and provide a written and oral briefing of a policy official on agency and inter-agency programs and budgets, and craft a budgetary option for that program area.

Papers and Briefings

In the first part of the semester, each of you will research, in detail, the structure, budget and programs of some part of the foreign policy/national security establishment in the executive branch and will prepare **an individual agency/sub-agency "briefing book"** on that agency or sub-agency, its programs and its budget. Later in the semester, as a member of a team, you will create and present in class a **Power Point briefing** and write a **"briefing book"** on a policy issue that cuts across agencies, covering program and budget data and proposed changes.

Agency/Sub-agency Briefing Book (due March 1, 2012)

You will prepare a briefing book as a senior career staffer in a small agency, sub-agency or program area in the foreign policy/national security arena. The briefing book is for a presumed new policy official/political appointee, who is assuming the leadership of that small agency, sub-agency, or program area. **The briefing book should be *no longer than 20 pages* of material, excluding data appendices.** It should include a discussion of all of the following elements: the agency or sub-agency's **mission, organizational structure, budget, performance objectives, executive branch network, and congressional and societal stakeholders.**

Separate, detailed instructions for this briefing book will be provided, and we will discuss the agencies or sub-agencies in class on January 26, making final decisions no later than the January 31 class.

Interagency Cross-Cut Brief for Director's Review (Briefing delivered in class sessions April 19 and 26; final slides and paper copy of briefing book due May 4, 2012)

The second project is a team effort to develop a Power Point briefing and written briefing book on a set of programs that cut across federal agencies (an "interagency cross-cut"). We will begin discussing the subject areas for these cross cuts and decide on subjects and team members no later than the class of March 1, 2012. This exercise will simulate the work of OMB examiners, preparing and interagency cross-cut review for the Director of OMB. (Separate detailed instructions will be provided.)

Undergraduate Final Exam option (Due May 2)

Undergraduate students have the option of taking a final exam for the class, instead of the team briefing project. However, in past classes virtually all undergraduates have successfully participated in the briefing teams, a more "real world" learning experience. **If an undergraduate student elects to take a final exam, he/she should let the instructor know by the March 3 class, at the latest, to ensure stability in the briefing team. The exam will be provided in the final class, April 25, and due May 2.**

Grading

Class discussion are a critical part of learning for this course; you should come prepared, with the readings and materials (and often data), questions, and views. Class discussion will count for 25% of the final grade. The agency briefing book will account for another 35%. The interagency cross-cut Power Point and written briefing book will account for another 40% of the grade. All students are expected to abide by the University's Academic Integrity Code, which can be found at <http://www.american.edu/academics/integrity/>

Resources for the Class

You should purchase the following books at the university bookstore or through an on-line provider:

Allen Schick and Felix LoStracco, *The Federal Budget: Politics, Policy, Process*, 3rd. Ed. Washington, D.C.: Brookings Institution Press, 2007

Gordon Adams and Cindy Williams, *Buying National Security: How America Plans and Pays for its Global Role and Safety at Home*, New York: Routledge, 2010

[*Optional*: SIS 682 is not a prerequisite for this class, but if you have not had a course providing background on U.S. foreign policy and national security agencies, you would do well to acquire a copy of Amos A. Jordan, William J. Taylor, Jr., *et al.*, *American National Security*, 6th Edition, Baltimore: Johns Hopkins University Press, 2009, and Roger Z. George and Harvey Rishikof (eds.), *The National Security Enterprise: Negotiating the Labyrinth*, Washington, DC, Georgetown University Press, January 2011.]

Budget Documents

The President's budget request for FY 2013 will be sent to the Congress the first week in February. It is an essential tool for this class. You will be asked to download portions of that budget request, including agency budget justifications documents and testimony. We will also refer to congressional hearings, reports, resolutions and bills, as we follow the budget process this Spring. There is a great deal of information on the federal budget available on the web, as the syllabus makes clear.

- All government agencies and both authorizing and appropriating committees in the Congress maintain websites with documentation on budgets, policy issues, speeches, press releases, hearings, and testimony. Basic budget data is best found at the OMB website - <http://www.whitehouse.gov/omb/>
- There are excellent research reports and analyses of the President's proposed budget, budget options, and budget processes on the websites of the Congressional Budget Office (www.cbo.gov), and the Government Accountability Office (www.gao.gov) and in reports from the Congressional Research Service (CRS), which can be found at <http://openocrs.com> or Googled individually by report title or number.
- A number of think tanks and websites also provide foreign policy and national security budgetary information, including "The Will and the Wallet" at the Stimson Center (<http://thewillandthewallet.org/>), the Center for Arms Control and Non-Proliferation (<http://www.armscontrolcenter.org>), the Center for Strategic and Budgetary Assessments (<http://www.csbaonline.org>), the Project on Defense Alternatives (<http://www.comw.org/pda>), the Center for Global Development (<http://www.cgdev.org>), the Strauss Military Reform Project (www.cdi.org), the US Global Leadership Coalition (<http://www.usglc.org>), and the National Priorities Project (<http://www.nationalpriorities.org>).

Keeping Current

In addition to the assigned readings for the course, students should be regular consumers of *The Washington Post*, *The New York Times*, *Politico*, and defense and foreign policy publications such as *Defense News*, *Foreign Affairs*, *Foreign Policy*, *National Interest*, and *Washington Quarterly*.

Blackboard

The class is enabled on Blackboard, where readings and other materials will be posted. I will also post additional readings, news stories, reports, clarifications, assignments, and questions for discussion. You should regularly check your e-mail for messages sent through Blackboard.

Class Meetings and Readings:

For the following class sessions, in addition to the budget documents released by the specific agencies, you should download and print specific sections of the White House-OMB budget document released in early February, 2012. This will include the President's Budget for Fiscal Year 2013, sections of the Analytical Perspectives volume, and of the FY 2012 Budget Appendix. We will use these documents in class.

January 19 & 26: The Federal Budget Process

Readings:

Allen Schick and Felix LoStracco, *The Federal Budget: Politics, Policy, Process*, 3rd Ed., Chapters 1-4, pp. 1-83.

Office of Management and Budget (OMB), *Budget Concepts and Budget Process, FY 2012*. Read only the first section: “Budget Concepts,” pp. 113-136. Available at: <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/concepts.pdf> [the FY 2013 version will be published in February, but this chapter changes little from year-to-year]

OMB Circular A-11 “Preparation and Submission of Budget Estimates”, August 2011, Read Part I: General Information – Overview of the Budget (Sec. 10), Basic Budget Laws (Sec. 15), Terms and Concepts (Sec. 20). Available at: http://www.whitehouse.gov/omb/circulars_a11_current_year_all_toc

Office of Management and Budget, *Budget of the United States Government, Fiscal Year 2012*, “Summary Tables.” Tables S1-5, S-7, S-10, S-11, S-13, S-14. At <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/tables.pdf>

Bipartisan Policy Center, Debt Reduction Task Force (Rivlin-Domenici), *Restoring America’s Future: Reviving the Economy, Cutting Spending and Debt, and Creating a Simple, Pro-Growth Tax System, Executive Summary*, November 2010, available at: http://bipartisanpolicy.org/sites/default/files/FINAL%20DRTF%20EXECUTIVE%20SUMMARY_0.pdf

Report of the National Commission on Fiscal Responsibility and Reform (Obama Debt Commission – Simpson-Bowles), *The Moment of Truth*, December 2010, available at: http://www.fiscalcommission.gov/sites/fiscalcommission.gov/files/documents/TheMomentofTruth12_1_2010.pdf

For Reference:

For historical federal budget data see *Historical Tables: Budget of the United States Government, Fiscal Year 2011*. At the OMB website: <http://www.whitehouse.gov/omb/budget/Historicals/>, and also OMB’s “Public Budget Data Base.” At <http://www.data.gov/details/401#>

February 2: Foreign Policy Agenda and Overview of Budgeting Politics

Readings:

Adams and Williams, Chapter 1, “Money is Policy,” pp.1-7; and Chapter 10, “The Politics of National Security Budgeting,” pp.221-44

Gordon Adams, “The Politics of National Security Budgets,” Policy Analysis Brief, Stanley Foundation, February 2007. On Blackboard and at: <http://www.stanleyfoundation.org/publications/pab/pab07natsecbudget.pdf>

National Intelligence Council, *Global Trends 2025: A Transformed World*, Washington, DC, November 2008. At:

http://www.dni.gov/nic/PDF_2025/2025_Global_Trends_Final_Report.pdf or
http://www.dni.gov/nic/NIC_2025_project.html

February 9 & 16: Budgeting for International Affairs: Function 150

Readings:

Adams and Williams, Chapter 2, “Resource Planning for International Affairs and State Operations,” pp.8-31; Chapter 3 “Foreign Economic Assistance Budgeting and Programs,” pp.32-65; and Chapter 4, “Political and Security Assistance Budgeting and Programs,” pp.66-92

Department of State, *Leading Through Civilian Power: The First Quadrennial Diplomacy and Development Review: Executive Summary*, December 2010, available at: <http://www.state.gov/documents/organization/153139.pdf> (or Google QDDR Executive Summary). [Full report is at <http://www.state.gov/documents/organization/153142.pdf>]

Office of Management and Budget, *Budget of the United States Government, Fiscal Year 2013*, “Department of State and Other International Programs.” Exact title and pages to come with release of FY 2013 budget request. Will be posted on the OMB website first week in February.

Department of State, *FY 2013 International Affairs (Function 150) Budget Request: Summary and Highlights*. Covers all Function 150 budgets. Exact title and pages to come with release of FY 2013 budget request. Will be available on State Department website.

U.S. Department of State, *The Budget in Brief Fiscal Year 2013*. Covers the State Department budget for “Operations.” Exact title and pages to come with release of FY 2013 budget request.

Henry L. Stimson Center and American Academy of Diplomacy, *A Foreign Affairs Budget for the Future, Executive Summary*, October 2008, available at: http://www.stimson.org/images/uploads/research-pdfs/A_Foreign_Affairs_Budget_for_the_Future_2_1.pdf

Gordon Adams, “Smart Power: Rebalancing the Foreign Policy/National Security Toolkit,” Testimony before the Senate Committee on Homeland Security and Governmental Affairs, Subcommittee on Oversight of Government Management, July 31, 2008. Posted on Blackboard.

Gordon Adams, “The Role of Civilian and Military Agencies in the Advancement of America’s Diplomatic and Development Objectives,” Testimony before the House Appropriations Subcommittee on State, Foreign Operations, and Related Programs, March 5, 2009. Posted on Blackboard.

Modernizing Foreign Assistance Network, “New Day, New Way: U.S. Foreign Assistance for the 21st Century,” Washington, DC: June 2008. At <http://www.cgdev.org/content/publications/detail/16210>

Susan Epstein, Marion Lawson, Tamara Resler, “State, Foreign Operations, and Related Programs: FY 2012 Budget and Appropriations,” Congressional Research Service, July 7, 2011, available at: <http://fpc.state.gov/documents/organization/169056.pdf>

For Reference:

To research specific programs and offices: Department of State, *Congressional Budget Justification: Foreign Operation, Fiscal Year 2013*. Will be posted on State Department website after budget release.

For foreign assistance data from 2006 on, visit the new Department of State, website, www.foreignassistance.gov

February 23 & March 1: Budgeting for Defense: Function 050

Readings:

Adams and Williams, Chapter 5, “Planning, Programming, Budgeting, and Execution in the Department of Defense,” pp.93-119.

Department of Defense, *Sustaining US Global Leadership: Priorities for 21st Century Defense*, Jan. 2012. At: http://www.defense.gov/news/Defense_Strategic_Guidance.pdf

Office of Management and Budget, *Budget of the United States Government, Fiscal Year 2013*, “Department of Defense.” Will be posted on OMB website first week in February.

Mark P. Keehan, “Planning, Programming, Budgeting, and Execution (PPBE) Process,” Teaching Note, Defense Acquisition University, 2006. On Blackboard.

Office of the Undersecretary of Defense (Comptroller), “PPBE Tutorial.” On Blackboard.

C. Vance Gordon, David L. McNicol, Bryan C. Jack, “Revolution, Counter-Revolution, and Evolution: A Brief History of the PPBS.” On Blackboard

Charles Hitch, “Decision-Making for Defense,” Gaither Memorial Lectures, University of California, 1965. On Blackboard.

Gordon Adams and Matthew Leatherman, “A Leaner and Meaner Defense: How to Cut the Pentagon’s Budget While Improving Its Performance,” *Foreign Affairs*, Vol.90, No.1 (January-February 2011), pp. 139-52, available at: <http://www.stimson.org/summaries/a-leaner-and-meaner-defense>

Bipartisan Policy Center, Debt Reduction Task Force (Rivlin-Domenici), *Restoring America’s Future: Reviving the Economy, Cutting Spending and Debt, and Creating a Simple, Pro-Growth Tax System, Executive Summary*, November 2010, defense options, pp.96-107, available at: http://bipartisanpolicy.org/sites/default/files/FINAL%20DRTF%20EXECUTIVE%20SUMMARY_0.pdf

Report of the National Commission on Fiscal Responsibility and Reform (Obama Debt Commission – Simpson-Bowles), *The Moment of Truth*, December 2010, illustrative defense options. Available at:

http://www.fiscalcommission.gov/sites/fiscalcommission.gov/files/documents/TheMomentofTruth12_1_2010.pdf

Sustainable Defense Task Force (Frank-Paul), “Debts, Deficits, and Defense: A Way Forward,” June 11, 2010, available at <http://www.comw.org/pda/fulltext/1006SDTFreport.pdf>

Amy Belasco, “The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11,” Congressional Research Service, March 29, 2011. Available at <http://www.fas.org/sgp/crs/natsec/RL33110.pdf>

Defense Business Board, *Reducing Overhead and Improving Business Operations*, July 22, 2010, Slide deck, available at http://dbb.defense.gov/pdf/DBB_Overhead_final_07_22_Board_Meeting.pdf

Defense Business Board, *Modernizing the Military Retirement System*, October 2011 slide deck, available at: http://dbb.defense.gov/pdf/FY11-05_Modernizing_the_Military_Retirement_System1.pdf

Gordon Adams, “Strategic and Fiscal Discipline: The Defense Budget and America’s Fiscal Crisis” Testimony before the House Budget Committee, July 7, 2011. On Blackboard.

For Reference:

Jordan, Taylor, and Mazaar, Chapters 8 and 9.

Mary T. Tyszkiewicz and Stephen Daggett, “A Defense Budget Primer,” Report RL30002, Washington, DC: Congressional Research Service, December 9, 1998, available at: <http://www.fas.org/sgp/crs/natsec/RL30002.pdf>.

Anthony Cordesman, “A Poisoned Chalice: The Crisis in National Security Planning, Programming, and Budgeting,” Rough Working Draft, April 22, 2008. At: http://www.csis.org/media/csis/pubs/080422_fy2009_poisoned_chalice.pdf

Pat Towell, “Defense: “FY 2012 Authorization and Appropriations, Congressional Res. Service, November 25, 2011. At: <http://www.fas.org/sgp/crs/natsec/R41861.pdf>

For detailed research on defense budget requests, including FY 2013, when available: Office of the Undersecretary of Defense (Comptroller), *Program Acquisition Costs by Weapon System; Procurement Programs (P-1), Military Construction Programs (C-1), Research and Development, Test and Evaluation Programs (R-1); Operations and Maintenance Programs (O-1); Military Personnel Programs (M-1), and National Defense Budget Estimates* (Green Book) all available at the DOD Comptroller website: <http://www.defenselink.mil/comptroller/>

March 8: White House Budgeting: OMB, NSC and Interagency Processes

Readings:

Schick and LoStracco, Chapter 5, pp.84-117.

Adams and Williams, Chapter 8, “The Role of the Executive Office of the President in National Security Budgeting,” pp. 162-92.

Gordon Adams, “The Office of Management and Budget: The President's Policy Tool” in Roger Z. George and Harvey Rishikof (eds.), *The National Security Enterprise: Negotiating the Labyrinth*, Washington, DC, Georgetown University Press, January 2011, on e-reserves.

Office of Management and Budget, *Budget of the United States Government, Fiscal Year 2013*, Overview document, will be posted on OMB website first week in February.

For Reference:

Jordan, Taylor and Mazaar, Chapter 10, pp.208-30.

Alan G. Whittaker, Frederick C. Smith, & Elizabeth McKune, *The National Security Policy Process: The National Security Council and Interagency System*, Research Report, August 15, 2008, Washington, D.C.: Industrial College of the Armed Forces, National Defense University, available at:

<http://www.ndu.edu/icaf/outreach/publications/nspp/docs/icaf-nsc-policy-process-report-08-2011.pdf>

March 15: Spring Break

March 22: Budgeting for Homeland Security

Readings:

Adams and Williams, Chapter 7, “Resource Allocation and Budgeting for Homeland Security,” pp.141-61.

Office of Management and Budget, *Budget of the United States Government, Fiscal Year 2013*, “Department of Homeland Security.” Will be posted on OMB website first week in February.

Office of Management and Budget, “Crosscutting Programs: Homeland Security Funding Analysis,” in *Analytical Perspectives: Budget of the United States Government Fiscal Year 2013*. Will be posted on OMB website first week in February.

Department of Homeland Security, “Budget in Brief FY 2013.” Will be posted on the DHS website in February.

Cindy Williams, “Strengthening Homeland Security: Reforming Planning and Resource Allocation,” Washington, DC: IBM Center for the Business of Government, 2007. At: <http://www.businessofgovernment.org/sites/default/files/Strengthening%20Homeland%20Security.pdf>

For reference:

Department of Homeland Security, *One Team, One Mission: Securing Our Homeland*, Strategic Plan FY 2008-13, at http://www.dhs.gov/xlibrary/assets/DHS_StratPlan_FINAL_spread.pdf

Congressional Research Service, *Homeland Security Department: FY 2011 Appropriations, October 13, 2010*, available at:
http://assets.opencrs.com/rpts/R41189_20101013.pdf

March 29: Budgeting for Intelligence

Readings

Adams and Williams, Chapter 6, “Intelligence Planning and Budgeting,” pp.120-40.

Office of Management and Budget, *Budget of the United States Government, Fiscal Year 2013*, “National Intelligence Program.” Will be posted on OMB website first week in February.

For Reference:

Office of the Director of National Intelligence, “The National Intelligence Strategy of the United States of America,” August 2009, available at
http://www.dni.gov/reports/2009_NIS.pdf

Richard A. Best, “Intelligence Authorization Legislation: Status and Challenges,” Congressional Research Service, January 27, 2011, available at:
<http://www.fas.org/sgp/crs/intel/R40240.pdf>

April 5 and 12: The Congressional Budget Process

Readings:

Schick and LoStracco, Chapters 6, 8, and 9.

Adams and Williams, Chapter 9, “Resource Allocation and Budgeting in Congress,” pp. 193-220.

U.S. Senate, Committee on the Budget, *The Congressional Budget Process: An Explanation*, 105th Congress, 2nd Session, Senate Print 105-67, revised December 1998, available at http://budget.senate.gov/democratic/index.cfm/files/serve?File_id=13495ebd-11c0-4d9d-8215-7c99d2b23735

Sandy Streever, “The Congressional Appropriations Process: An Introduction,” Congressional Research Service, December 2, 2008, available at:
http://assets.opencrs.com/rpts/97-684_20081202.pdf

Sandy Streever, “Continuing Resolutions: Latest Action and Brief Overview of Recent Practices.” Congressional Research Service, April 6, 2011, available at:
<http://www.nationalaglawcenter.org/assets/crs/RL30343.pdf>

For reference:

Jordan, Taylor, *et al.*, Chapter 5, pp.103-23

April 19 and 26: Director’s Review Sessions

ACADEMIC INTEGRITY CODE

Standards of academic conduct are set forth in the University's Academic Integrity Code. By registering, you have acknowledged your awareness of the Academic Integrity Code, and you are obliged to become familiar with your rights and responsibilities as defined by the Code. Violations of the Academic Integrity Code will not be treated lightly, and disciplinary actions will be taken should such violations occur. Please see me if you have any questions about the academic violations described in the Code in general or as they relate to particular requirements for this course. You can examine the AIC at <http://www.american.edu/provost/registrar/regulations/reg80.cfm>

EMERGENCY PREPAREDNESS FOR DISRUPTION OF CLASSES

In the event of an emergency, American University will implement a plan for meeting the needs of all members of the university community. Should the university be required to close for a period of time, we are committed to ensuring that all aspects of our educational programs will be delivered to our students.

These may include altering and extending the duration of the traditional term schedule to complete essential instruction in the traditional format and/or use of distance instructional methods. Specific strategies will vary from class to class, depending on the format of the course and the timing of the emergency. Faculty will communicate class-specific information to students via AU e-mail and Blackboard, while students must inform their faculty immediately of any absence.

Students are responsible for checking their AU e-mail regularly and keeping themselves informed of emergencies. In the event of an emergency, students should refer to the AU Student Portal, the AU Web site (www.prepared.american.edu) and the AU information line at (202) 885-1100 for general university-wide information, as well as contact their faculty and/or respective dean's office for course and school/ college-specific information.