



LUNDS UNIVERSITET

Domestic & International Development Funding
A comparison of the Appalachian Regional Commission and
USAID's budget justifications

Abstract

This Bachelor's thesis attempts to provide a better understanding of how US government-funded development agencies justify their funding, how that process is conducted, and in what ways it relates to the actual practice of development.

Namely, the study looks at the Appalachian Regional Commission (ARC) and the United States Agency for International Development. Specifically, it looks at how these development organizations frame themselves and what type of discourse they employ to frame themselves as institutions worth funding.

This is done through a qualitative design making use of content document analysis, along with two theoretical approaches in the analysis both securitization theory and realism's approach to international politics. Structured into five parts the study aims to provide an easily digestible piece of text that also provides the reader with a sufficient basis of knowledge on the topic at hand.

The research finds that budget justifications extensively differ from each other. Based on the material used in the study it is also found that there is a higher expectation for the ARC to be able to facilitate development compared to USAID. Finally, the paper tries to provide an explanation and reasoning for this being the case.

Keywords: Domestic Development, International Development, Appalachian Regional Commission (ARC), United State Agency for International Development (USAID), Securitization, Foreign Policy tools, Budget Justification

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1. Introduction

After having spent almost two months researching and writing this Bachelor's thesis it has become clear how much work, effort, and activity there is in politics that never really gets covered in media outlets and most individuals have no knowledge of. For the most part, any randomly picked individual has no real idea of how things proceed in the realm of politics or in development. This Bachelor's thesis is intended to inform about a piece of this normally forgotten process.

1.1. Research Question & Research Aims

The main source of inspiration for this thesis idea was developed from reading about the Appalachian Regional Commission as well as other Regional Commissions in the United States, functioning as domestic development agencies. When reading predominantly about the Appalachian Regional Commission, the generalized question arose: how does the ARC compare to international development agencies? After some further inquiry and reflection, the thoughts narrowed down to how the discourse is similar or different between domestic and international development organizations. Especially when it comes to providing a sales (or in the case of the agencies that are the subject of this thesis justifications) pitch to attract funding from Congress.

The significance of this research is in attempting to provide a better understanding of how governmental development agencies justify their funding, how that process is conducted, and in what ways it relates to the actual practice of development on the ground. The budget justifications matter because they play an important role in the chain of responsibility and accountability that legislators are expected to uphold to taxpayers and constituents, in ensuring that funds are not misallocated or wasted on unnecessary expenses. The research looks at how these development organizations frame themselves and what type of discourse they employ.

In the case of all governmental development agencies, there is always a direct linkage to political science as the whole existence of these agencies is based upon the political process, and its different dynamics and constraints, further, it is legislative bodies that have the final say on funding for these development agencies. Moreover, the way that the societies we live in handle, both domestically and internationally the issue of development remains primarily through political action. This requires taking into account the many factors of any political action such as constraints on political power, internal and external dynamics of power, and power relations. In the case of these development agencies, there is an internal power dynamic of relevance to this study in the decision-making process of how they frame their organizations externally. the external power dynamic is in the form of accountability to a superior body in the form of Congress as well as the positioning of each agency in perceived importance to the superior body.

The importance of the topic is evident in how the international development agenda is generally perceived to be set by the United States, as the foremost foreign aid donor. (OECD, 2023) Therefore the connection between the language used internally within the halls of power in the United States is well within the purview of development studies. The effects of language used and action taken by the US shapes development in general.

This begs the question: is there a contradiction in framing and language used why is it so? Furthermore, this study looks towards the development agencies' justifications to try and find if there is a significant use of hollow, over-generalized, and generic language. The framing that these agencies conduct does showcase the focus of the agencies as well as in what is missing and they are shying away from. Lastly, if in the case of this study, the two agencies' justifications are very different or similar it nonetheless is a sound basis for a compelling comparative analysis.

1.1.1. Research Question

The research question for this study is formulated as follows:

How does the budget justification for the Appalachian Regional Commission as a domestic development agency compare to that of the international development agency, the United States Agency for International Development?

The aim of the research is to look at the empirical material in the text documents in the form of budget justifications as well as the President's budget request, which is presented to the United States Congress, in order for the legislative body to decide on funding for the development agencies. By looking at these documents the study attempts to see if the language and framing used to justify spending on the agencies is similar or different. When this has been done, the study should attempt to provide a potential explanation for why the material is either similar or different, with accompanying implications for both the practice of development as well as the general perception of development.

It also aims to showcase how development fits into the political sphere of the legislature, by showcasing it from the situation of the premier foreign aid donor, and how the individual development agencies frame and portray their work in order to justify funding. concentrating in on what is the "sales pitch" to get funding for these agencies. In order to achieve the aims of the research and answer the research question in this thesis, the methodology selected to fulfill the research is content document analysis and the theoretical framework is built up by realism's approach to international politics and securitization theory.

1.2. Structure

This thesis is structured into five overarching parts.

The first part is an introduction presenting the study, research question, research aims, theoretical framework, methodology, literature review, and structure of the thesis.

The second part is the background that serves to inform the reader about the role of the United States Congress in funding and how the process functions in a generalized fashion along with backgrounds to set the scene and explain what the Appalachian Regional Commission and the United States Agency for International Development are.

Third is the initial summarized versions of the budget justifications to familiarize the reader with the examined empirical material.

Fourth, the actual analysis of the empirical material presented that is connected to the two theoretical approaches presented earlier in the introduction.

The fifth and final part has the intention to summarize the entirety of the thesis as well as provide an answer to the research question along with an evaluation of the research in regards to its aims and finally suggested future research on the topic.

1.3. Literature Review

In preparation for conducting this study a comprehensive search into the literature on the following key topic areas: the Appalachian Regional Commission, the United States Agency for International Development, and literature on securitization along with the use of development as a foreign policy tool. The literature reviewed can therefore be split into three parts: First, the literature that revolves around the ARC. Second, the literature about USAID. Third, the literature about foreign aid as a foreign policy tool along with the securitization of foreign aid. The literature that has been available to conduct this research has so far yielded the result that there has not been any previous study conducted similarly to the one intended within this research. Accordingly, the literature reviewed for this thesis is moderately disconnected from the topic, research question, and research aims of this study, but nonetheless has provided a broader understanding and increased knowledge about both government agencies as well as theory.

The literature reviewed being brought up within this paper is on the topic of USAID, which is about tackling the securitization of foreign aid, presidential micromanagement, and reform of foreign aid from the US. The literature on the ARC on the other hand has been primarily focused on the region of Appalachia, the effectiveness of the Commission programs, and major projects conducted by the ARC. Lastly, two pieces of literature about the securitization of foreign aid and foreign aid as a foreign policy tool in order to facilitate a better theoretical understanding in addition to improving the analyst's ability to conduct the analysis of material in this study.

1.3.1. USAID

The first paper reviewed deals with assessing changes in country allocation by USAID prior to and post 9/11. The paper finds that there had been a change of allocation amongst Muslim-majority countries as well as for Israel but that outside of this sphere there had been no significant changes in aid allocation. In the beginning hypothesized theory that US foreign aid is diverted from poverty reduction towards the Global War on Terror had at least within the span of the study not been realized (Moss et al, 2005)

The second piece of literature regarding USAID, is a report on the state of reform of USAID which at the time the then-current Obama administration had pledged to enact reform but it had yet to be realized. The paper evaluates the possibility of conducting a reform of USAID as well as the need for both executive and legislative branches of government to collaborate to achieve reform. (Veillette, 2011)

The third piece of literature focuses on presidential micromanagement of foreign aid. The study examines the Kennedy, Johnson, and Nixon administrations' practice of requiring presidential approval for small foreign aid expenditures, with the author formulating a theory on presidential micromanagement being tied to the assessment of the threat of the USSR in the developing world as well as the US position on balance of payments. (McKeown, 2005)

1.3.2. ARC

The first piece of literature on the ARC brought up for this thesis is a study is an empirical analysis attempting to measure the success of the ARC in stimulating the Appalachian economy. The study finds that the Appalachian region did experience significantly faster economic growth in income, earnings, per capita income, and population compared to the control group as well as in all subregions of Appalachia. (Isserman & Rephann, 1995)

The second piece of literature on the ARC is an evaluation of how the Appalachian economy has been affected by the COVID-19 pandemic. The study runs regressions to estimate the influences of several factors on the composite index value assigned to counties within Appalachia. The study finds that the unemployment rate has the largest impact and suggests a focus therefore on the unemployment rate. (Wu, 2022)

The third piece of literature concerning the ARC and the final piece of literature on the ARC brought up in this study is a critique of the ARC and its liberal economic development models through a materialist lens. The author critiques how despite there having been a multitude of economic development plans for the region from the ARC the region remains impoverished. The critique focuses on the inadequacies of the methods used for economic development both in Appalachia and other places where liberal economic development models are employed. (Gore, 2022)

1.3.3. Literature on theory

The penultimate piece of literature reviewed for the purpose of this thesis is on the topic of foreign aid as a foreign policy tool. The article describes how foreign aid is used to pursue foreign policy goals and that aid is used both to strengthen friendly or compliant states as well as the removal of aid is used to deter and harm hostile or non-compliant states. The author describes how foreign aid serves several purposes but is mainly motivated by donor nations' foreign policy goals. The author also describes how aid-recipient states can use aid to reallocate funding to other areas of state spending in an unintended way. (Apodaca,2017)

The final piece of literature is about the securitization of development aid. The article investigates how conflict within aid-recipient states and the extent to which those states are perceived as a security threat affects aid commitments. The authors use a mixed-methods approach to analyze both policy discourse as well as data from the OECD, UNHCR, SIPRI, and Uppsala University's Conflict Data Programme. The data produced from the research indicates that the securitization of development has had the most profound effect on foreign aid to states that are not affected by conflict and that the strategic importance of the conflict-affected states along with the domestic character of donor governments has influenced the strength of aid securitization. (Lazell & Petrikova, 2020)

1.4. Theoretical Framework

1.4.1. Securitization theory

The first theory that this thesis is grounded in is the securitization theory, namely in the topic area of securitization of foreign aid. Securitization theory took hold after the cold war ended with the dissolution of the bipolar world order, intellectuals argued that the concept of security needed to be broadened, and a new discourse-based approach to security was introduced by members of the Copenhagen School of academic thought. The advocates of the school's line of thought argued that security surpassed the norms and rules of regular politics in the form of a special kind of politics or as having exceeded politics. The theory of securitization focuses on the process in which issues are framed in security terms as an existential threat. Whilst the theory was originally popularized to broaden the understanding of security from the narrow view held during the cold war, it evolved into being employed as a critical tool to assess the increased permeation of security concerns in other policy areas. (Mirea, 2021)

The influence of the securitization theory has been that security has no pre-existing meaning and any actor can securitize anything. Therefore, in order to avert any and everything from being framed as a security matter, there are three stages to properly identifying security issues. These are first, the identification of existential threats. Second, emergency action. Third, the effects of having broken free from the regular norms and rules of politics. What is an existential threat? Existential threats are those issues that if not handled urgently everything else will be irrelevant, as either those responsible will no longer be around to deal with any issues or they will not have the power to deal with any issues. However, the first step of securitization is for an actor to persuade an audience that there is a legitimate need to enter emergency mode and shed the norms and regulations and it is first then that we can identify a case of securitization. (Taureck, 2006)

In this study, the evolved securitization theory will be utilized in problematizing the securitization of international development and how foreign aid is viewed as a foreign policy tool to be used in the security agenda. This will be showcased in the difference in discourse utilized between the domestic development discourse and the international development in their budget justifications to the United States Congress. (Mirea, 2021)

1.4.2. Realism

The second theory that this thesis is grounded in is the realism approach to international politics. Realism also known as power politics or realpolitik is focused on the state's acquisition, maintenance, and exercise of power. Power is viewed to exist both as hard power such as military strength and soft power such as ideas, economic wealth, in addition to political and economic innovation. This thesis focuses on soft power in its topic area. At its core realism has two tenets that “might makes right” and that “the strong do what they have the power to do and the weak accept what they have to accept”. Concerning the first tenet, it focuses on how what is just and moral is defined by the powerful, and how the narrative is established by the powerful. For the second tenet, it is both self-explanatory and insinuates that “good” does not always triumph over “evil” meaning that the only way to escape the position of being weak, is to become one of the strong. For a country to achieve moving from weak to strong they will have to put aside religious and moral beliefs to be able to engage in the same behavior as the strong. (Pease, 2018)

Furthermore, within realism, there are two central assumptions. The first, is that the defining human characteristic is egoism, meaning that people are essentially selfish and competitive. The second, is that states are all being led and constituted of individuals, and consequently are inherently egotistic as well. Resulting in state egoism and the pursuit of national interests, which further results in international conflict and the possibility of armed conflict. National interest can further be boiled down to being the foreign policy goals, objectives, or policy preferences that purportedly are meant to benefit the country. For example, development agendas and development agencies work as a form of soft power. (Heywood, 2019)

Realism also endeavors to describe the state's conduct from the premise that the international system is distinguished by anarchy. Implying that states are required to rely on their own capabilities and resources rather than any form of external support. Realism's approach to Security is similar to the view espoused in securitization theory, as it is considered the main goal of international politics in realism's approach. Realism further states that the state has the foremost obligation of maintaining security with the purpose of attaining national security. National security is the circumstances where the survival and safety of a state is guaranteed. The main source of threats to the security of the state is viewed as coming from other states, with accompanying threats of war and physical coercion. This means that states have the propensity to view other states as enemies, nonetheless, this does not mean that armed conflict is inevitable as realists think that conflict can be prevented and controlled by the balance of power. (Heywood, 2019)

1.5. Methodology

For this thesis, a qualitative research design will be used namely content documentary analysis looking at two documents and a section from one document. Punch in “*Introduction to Social Research: Quantitative and Qualitative Approaches*”, writes that when conducting documentary analysis there are four themes to consider, these are the social production of the

document, the social organization of the document, the direct analysis of the text for meaning, and the application of different theoretical perspectives. (Punch, 2014)

The first theme, the social production of the document focuses on how the document came into being, why the document came into being, and in what social context the document was created. The second theme, the social organization, looks at the purpose of the document, how it was written, by whom, for what occasion the document was written, and who is the intended reader of the document. The third theme is the direct analysis in search of the documents meaning both at a surface level literal meaning as well as the deeper underlying meanings of the document taking into account an interpretive understanding of the document. The fourth and final theme is to apply different theoretical perspectives when analyzing the document either viewing the document as media for discourse or deconstructing the document. (Punch, 2014)

In addition, borrowing from discourse analysis to be utilized in this study, three tenets or typical attributes of discourse analysis provide further guidance in researching and analyzing the document. The three principles or common features of discourse analysis as mentioned by Punch in "*Introduction to Social Research: Quantitative and Qualitative Approaches*" are: First, that discourse is rules-governed and internally structured. Second, that discourse is produced by authors who are situated in a socio-historical matrix in which cultural, political, economic, social, and individual realities shape the discourse. Third, discourse both reflects the human experience but also constitutes part of that experience. (Punch, 2014)

1.6. Ethical Considerations

The first and foremost ethical considerations regarding the research is the competence and positionality of the researcher, which in this case the author is of the belief that the study is limited enough in scope and within the purview of what is to be expected as a sufficient limitation in scale and scope from an undergraduate student. Additionally, this study should not be extrapolated to other cases.

When conducting research there are numerous flaws in being a human analyst such as for example constraints on the amount of data that can be dealt with at any one point and time throughout the research process. The risk that first impressions led to resistance against the potential ensuing need for revision. Inability to find the documents or information leading to the skewing of the research and results or that potential sources that are hard to find get less attention than the information that is easily obtainable. Plainly missing information or context, as well as overconfidence in one's own ability of judgment. Positionality with its implication of my own personal values, views, location, time, and background affecting the production and analysis of the research.

As an outsider to the government agencies in question as well as the legislature in the form of Congress there is a risk of misunderstanding and not having access to the full picture of how things are conducted inside the examined process. However, the consideration brought up

earlier regarding the shortcomings of humans as analysts and positionality will have to be considered and kept in mind throughout the research process. To minimize the risk of inadvertently committing any flaws as a human analyst it is important to return to both this section and the ethical guidelines provided by the university in order to take full care in the research work.

To ensure the integrity and validity of the research and to prevent scientific fraud from being conducted inadvertently or deliberately, the process of verification and scrutiny of any academic work conducted at the university should serve as a guarantor that no scientific fraud is conducted by the researcher. This research is not sponsored or supported by anyone or any organization outside of the resources provided publicly available to all on the internet and through Lund University's resources available to any student at the university.

2. Background

2.1. Congress

The role of the United States Congress that is brought up and of importance to this thesis is the role of the legislature as the funder of government agencies. In order for Congress to be able to fund government agencies it has to carry out appropriations made in law. The significance of this is that both the Appalachian Regional Commission and the United States Agency for International Development are government agencies funded through these means. The basis for the power of control of the treasury comes from the first article of the United States Constitution in which it is stated that Congress holds “the power of the purse” which includes the power to spend, collect revenue and borrow. However, the Constitution does not state how or by what procedure budgetary and budget-related legislation should be considered. The Constitution instead states that the two separate chambers of Congress (The Senate and the House of Representatives) determine the rules of proceedings themselves. This has made it so that the practice and rules for the governance of budgetary legislation have changed over time. The initial framework that is used today in Congress was specified in the “Congressional Budget and Impoundment Control Act of 1974”. That act established standing committees in both chambers with jurisdiction over the resolution on the federal budget. The act also sets up yearly adoption of concurrent resolutions on the budget so as to set forth aggregate levels of spending, revenue, the surplus or deficit, and public debt. (House Budget Committee, nd)

In the case of the United States federal government spending is primarily divided into two categories, mandatory spending and discretionary spending. Mandatory spending makes up the majority of federal expenditure and does not require there to be a vote on annual appropriations as the expenditure is dictated by already established legislation. Discretionary spending however does require an annual appropriation process. Therefore, every year there is an appropriation process conducted and approved by both the executive (the President) and the legislative (Congress) to allocate spending. Commonly, more than half of the discretionary spending goes toward national defense, and the rest is used to fund other agencies and programs. Through discretionary spending, there is a wide variety of areas covered ranging from education, housing, social services, science, and of importance to this thesis both the Appalachian Regional Commission and the United States Agency for International Development. (US Treasury, nd)

2.2. ARC

The Appalachian Regional Commission was brought about in the 1960s as a result of the Conference of Appalachian Governors asking then-President Kennedy to create a presidential commission to coordinate multilevel action toward the needs of the Appalachian Region. The President’s Appalachian Regional Commission was formed with the mission of drawing up a program for the economic development of the region. The President’s Appalachian Regional Commission work would lead to the creation and passing of the Appalachian Regional Development Act in 1965. With the passing of the act, the Appalachian Regional Commission was formed as a federal-state partnership with the intent of strengthening the

Appalachian economy and assisting the 13 states that make up the region to attain economic parity with the rest of the United States. (ARC, nd)

In the Appalachian Regional Development Act which has been further amended twice in 1975 and 1998 since the original legislation in 1965, the stated purpose and tasks of the ARC in short is to aid the region in tackling its particular issues, to advance its economic development, and to establish a framework for coordinated federal and state measures toward delivering the basic facilities essential to its development and address its typical problems and meeting its standard needs on a coordinated and concerted regional grounds. As well as expecting the consequences of alternative energy policies and practices, and planning for growth that accompanies such a change in order to reap both the social and economic benefits and reduce the costs socially and environmentally. There should also be tailoring of programs and projects implemented in the region so as to sufficiently meet the precise problems caused by the country's energy necessities and policies. (US Congress, 2021)

The investment of public funds in the region (Appalachia) should be focused on places where there is considerable potential for prospective growth, and where the anticipated return on investment will be the most significant. the Appalachian Regional Commission should further aid the region in supplying the infrastructure essential for economic and human resource development, developing the industry within the region, creating entrepreneurial communities, forging a diversified regional economy, and improving the competitiveness of the region in both national and international markets, the adaptation of new technologies for businesses that includes eco-industrial development technologies, and improved access to technical and financial resources for the expansion of enterprises. and finally, to deal with the conditions of the areas that are persistently and severely distressed there should be afforded special engagement in order to level the playing field and provide fairer opportunities for the inhabitants of the region to attain the same quality of life as the national standard of the United States. (US Congress, 2021)

The Appalachian Regional Commission has during its existence evolved to meet the region's challenges over time, and has invested more than 4.5 billion USD in roughly 28 000 development projects throughout the Appalachian region as well as attracting more than 10 billion USD in corresponding private project funds. (ARC, nd)

2.3. USAID

The United States Agency for International Development referred to as USAID was created in 1961 in order to transform and unite US foreign aid and development policy under a single agency to control and allocate foreign aid to promote social and economic development. The Agency was created when the "Foreign Assistance Act" was passed through the United States Congress and an executive order was issued by then President of the United States John F Kennedy to establish the agency. As previously mentioned when USAID was created it united the several existing foreign aid organizations and programs into a single agency, and

before the creation of USAID there had never been a single agency responsible for foreign aid therefore with the establishment of USAID foreign development policy from the US experienced a comprehensive transformation. The stated objective of USAID is to assist partner countries in becoming self-reliant and having the capability of leading development in their own country of their own accord. The actions undertaken by USAID to achieve this aim at reducing the reach of conflict, preventing the spread of pandemic diseases, and neutralizing the catalysts of violence, instability, transnational crime, and security threats. Furthermore, USAID has the domestic-focused aim of advancing American prosperity via investments that should expand the international market for US export products. Facilitating a level playing field for US companies abroad and aiding more stable, resilient, and democratic societies. Maintaining a world-leading role in providing disaster relief and humanitarian assistance in crisis-affected areas and countries. (USAID, 2022)

USAID holds the position within development of being the premier international development agency and of being a stimulating actor for propelling development results. The agency works to promote US national security and economic prosperity, demonstrate American generosity, and encourages partner countries to take a path of recipient self-reliance and resilience. USAID also works to achieve the end goal of that there should not be a need for the agency's own existence. Moreover, USAID's work addresses the root causes of violence, opens new markets, generates trade opportunities and facilitates innovative solutions for development challenges that save lives, and advances democracy, governance, and peace. Subject areas covered through USAID programs and projects are; agriculture and food security, anti-corruption, conflict prevention stabilization, democracy along with human rights and governance, economic growth and trade, education, environment, energy, infrastructure, gender equality, women's empowerment, global health, humanitarian assistance, innovation, technology, research, nutrition, water, sanitation. (USAID, 2018)

3. Empirical Material
3.1. Budget Justifications

The following sections detail the contents of the Budget justifications for the ARC and USAID along with the President's budget request for the fiscal year 2024.

3.1.1. ARC

To start this study we will look at the Appalachian Regional Commissions budget justification for the 2024 fiscal year. The budget justification is a 58-page document (including appendixes) that is detailed in its justification for funding regarding its use as well as the performance of the work conducted by the ARC. The Appalachian Regional Commission requests 235 million dollars to fund its activities during the fiscal year of 2024. The document states that the ARC has experienced a significant increase in funding during the last decade and that has allowed the agency to increase its capacity internally along with partners to meet its demands. Furthermore, the major spending bill Investment in Infrastructure and Jobs Act (IIJA) has appropriated a further 200 million dollars a year through the fiscal years 2022 to 2026. The Agency further states that the combination of funding requested through appropriations along with funding from the Infrastructure Investment and Jobs Act provides the Commission with the circumstances to make greater investments and address systemic issues that have plagued development in the Region as well as the opportunity to launch new ideas. (ARC, 2023)

The ARC further points to its strategic plan for the fiscal years 2022 to 2026 with the goals of innovating, partnering, and investing in increasing community capacity as well as reinforcing economic growth as reflective of Executive Order No 13985 with the goals of advancing racial equity, supporting underserved communities and addressing the obstacles that have prevented communities from full participation in economic, social and civic life. (ARC, 2023)

Specifically, the budget request asks for 113 million dollars for the Area Development Base Program including 32 million for special initiatives working through a bottom-up development approach. Moreover, it asks for 72 million dollars for the Partnership for Opportunity and Workforce and Economic Revitalization Initiative which assists in the economic transformation of communities affected by local economic downturns. 13 million dollars are requested to be used for the Investments Supporting Partnership In Recovery Ecosystems aimed at tackling the labor force challenges caused by the opioid epidemic. As well as a further 5 million dollars for the Commission's energy hub initiative. The ARC has also launched the Appalachian Regional Initiative for Stronger Economies which aims to supply the region with a series of capacity-building programs. The Agency has also hosted a series of workshops to improve potential grant applicants in preparing and submitting grant applications to the agency. The thought is that through these methods the ARC addresses both new and existing economic issues in the region at both micro and macro levels. (ARC, 2023)

The ARC as has been previously mentioned in this Thesis was created to provide a tailored approach to overcoming the complex challenges faced by the region such as systematic generational poverty and the need for diversification of the economy. The Agency measures its progress in furthering economic equity and in achieving its missions with an index created from bundling unemployment, per-capita income, and poverty rates and comparing the counties of the region with the rest of the United States. The Appalachian Region still has more of the economically weakest counties and fewer of the strongest counties compared to the rest of the county. (ARC, 2023)

As the Appalachian region has remained sagging behind the rest of the country as well as encountering new challenges in the form of a downturn in the regional economy and the opioid epidemic. This is brought forth in the budget justification by showing how in Appalachia per-capita market income where 72% lower than the national level in 2020, how over 22 000 jobs were lost in the coal mining sector during the span of 2011 to 2021 a decrease of 72% in the sector, the disproportionate impact the region has suffered during the opioid epidemic as the overdose-mortality rate in the region was 61% higher than the rest of the nation. During the two first decades of the 21st century, the national employment growth was 15% but in Appalachia, it was only 4%. (ARC, 2023)

Despite the persistent issues and challenges faced within the region, the Commission in its justification also points out those areas where there has been significant progress since the creation of the agency. For example, the amount of high-poverty counties has been cut down by 60%, the regional poverty rate has been cut down more than half from 31% to 14.3% and the percentage of adults with high school diplomas has tripled since the agency's inception and the region is now at the national graduation rate level. The ARC further points to how they have attracted additional project funding at a rate of 2 to 1 as well as non-project private leveraged investments at a ratio of 7 to 1 with the projected results of more than 22 000 jobs being created or retained, more than 40 000 students, workers and leaders trained in new skills, more than 70 000 businesses and households gaining access to improved infrastructure, more than 6 000 businesses created or strengthened, and uplifting almost 1 500 communities with enhanced capacity. (ARC, 2023)

Lastly, the ARC points out in its budget justification how its works reflect the order from Executive Order No. 14008 that through the creation of the Interagency Working Group on Coal and Power Plant Communities and Economic Revitalization, as a part of the efforts to combat the climate crisis at home and abroad. The Commission uses its membership in the group to raise the attention of the specific needs and issues of the region to other federal agencies as well as deploying the ARC's special expertise in building capacity to strengthen communities affected by the economy of coal. (ARC, 2023)

3.1.2. USAID & President's Budget Request

Moving onto the budget justifications for the United States Agency for International Development, the setup is quite different as for USAID the justification is a part of the

President's budget for the fiscal year and not a separate justification; this results in it being a part of a section of the lengthy budget request from the President. The budget request for USAID is also bundled together with the State Department in the budget justification which complicates the situation and is significant. What is noteworthy from the jump is that in both the document provided by USAID and in the President's budget, there is a clear lack of specificity. Also of note is that even the funding requested for foreign aid in the documents is not exclusively for USAID. Because of similarities in content the section within the President's budget request and USAID's budget justification are bundled together for the sake of brevity and because there is no real added value in keeping the two pieces of text separate. Though it is worth pointing out that within the President's Budget request, the section is called Department of State and International Programs contra the USAID's budget justification that naturally only covers the agency's own funding, therefore those points noted in the President's Budget request that does not appear in the USAID justification are excluded from the scope of this thesis.

The Budget requests ask for 70.5 billion dollars in discretionary spending for the State Department and International Programs of which 63.1 billion is allocated for foreign aid and diplomatic engagement and a further 32 billion is allocated to fully or partially USAID-managed accounts. It is also further stated in the President's request that the mission of the State Department, USAID, and other international programs is to advance a free, secure, and prosperous world by working with allies and partners to solve shared global challenges. (USAID, 2023) (OMB, 2023)

In USAID's justification, it is further stated that the request for funding is critical for providing assistance to the current Administration's foreign policy priorities. There are eight subheadings within the document connected to those brought up within the President's Budget request, they are the following: (1) Sustains US leadership in humanitarian assistance and food security, (2) Prioritizes developing economies and strengthening democracies, (3) Bolsters the Ukrainian people, (4) Supports out-competing China and invests in the Indo-Pacific region, (5) Champions global health and global health security, (6) Promotes gender equality, equity, and empowerment, (7) Addresses the root cause of irregular migration across Central America, and the final subheading (8) Revitalizes the USAID workforce. (USAID, 2023)

On the topic of Humanitarian assistance and food security USAID asks for 6.5 billion dollars to provide humanitarian assistance to around 75 crises yearly in more than 65 countries. As well as 1.1 billion dollars for USAID's Feed the Future programs that work to address the global food crises as a result of the Russo-Ukrainian war and the impacts of climate change. This would be out of a total of 10.5 billion request to be able to take action for the world's most vulnerable. Furthermore, it supports the Administration's pledge to reduce global food insecurity. (USAID, 2023) (OMB, 2023)

For the second subheading "Prioritizes developing economies and strengthening democracies" The agency asks for 60 million dollars for the innovative effort of the

“Enterprises for Development, Growth, and Empowerment Fund”, which aims to free up private sector influences on global development challenges. USAID also requests 2.8 billion for so-called “Bright Spot” countries that are undergoing recent and promising democratic openings, the funding will be used to combat democratic backsliding and unchecked authoritarianism as well as to foster democratic governance and counter corruption. (USAID, 2023) (OMB, 2023)

On the topic of the third subheading bolstering the Ukrainian people USAID requested for 522 million dollars out of the 753 million mentioned in the President’s Budget request, to be used for economic and humanitarian assistance, ensuring the continuity of government services in Ukraine, investment in energy infrastructure and cyber security, with the goal of boosting the resilience of Ukraine in the war. (USAID, 2023) (OMB, 2023)

The fourth subheading supporting the policy of out-competing China and investing in the Indo-Pacific region. As a major stated policy goal of the Biden administration (mentioned twice in the Presidential Budget request) USAID asks for 4 billion dollars in mandatory spending to enable infrastructure investments, supply chains improvements, promoting resilient economic growth as well as more transparent and rules-based economic systems in the Indo-Pacific region that are able to resist manipulative attempts by the PRC. They also ask for 3.2 billion dollars in discretionary spending to reinforce the American Indo-Pacific Strategy to bolster and contemporize American allies and partners in the “vital region” and finally 400 million dollars for the joint State Department & USAID Countering PRC Influence Fund that serves to fund programs intended to withstand the Chinese government’s “malign authoritarian model” whilst advancing the US’s own “affirmative global development agenda”. (USAID, 2023) (OMB, 2023)

The fifth subheading to reinforce the United States' leadership role in global health, USAID appeals for 4.1 Billion dollars to combat disease, prevent maternal deaths, and child deaths, improve nutrition, contain the HIV/AIDS epidemic, and expanding the healthcare workforce worldwide. Within this funding, 745 million is to be allocated for preventive measures for future infectious disease threats. (USAID, 2023) (OMB, 2023)

Moving on to the sixth subheading which is to support the implementation of the National Strategy for Gender Equity and Equality. The Biden Administration has a dedicated commitment to improving both women and those from marginalized communities worldwide. Under this subheading, 3.1 billion is allocated to the State Department and USAID with the mission to elevate women's and girls' roles. As well as allocating 200 million for a fund with the aim of improving women’s economic security. (USAID, 2023) (OMB, 2023)

For the penultimate subheading “Addresses the root cause of irregular migration across Central America.” as a part of the Biden Administration's Root Causes Strategy, more than 1 billion dollars is allocated to the State Department and USAID to bolster Central American nations' democracies, security, economic opportunities, and development in order to achieve

the aim of the inhabitants of Central America being safe in their home countries. (USAID, 2023) (OMB, 2023)

The eighth and final subheading from USAID's budget justification is to revitalize the USAID workforce, in which the agency asks for 2.3 billion dollars for operations and labor as well as guaranteeing accountability of US taxpayer spending. (USAID, 2023)

4. Analysis

In this section the empirical material is analyzed using the theoretical approaches mentioned at the start of the paper.

4.1. USAID as a foreign policy tool

Considering the realist approach to international politics that approaches international politics from the assumption that states are run by people and that people are inherently egotistic and therefore states also act egotistically, conflicts arise naturally as each state pursues their own national interests. National interests are goals, objectives, or preferences within foreign policy that purportedly are beneficial to the country. Looking back to the earlier mentioned subheadings and their meanings for USAID there is the common theme of security. The recurring mention and focus on security as well as foreign policy goals and agendas provides ample evidence to the argument that USAID is primarily used as a foreign policy tool for the United States government and not only for the development of the world. For example:

“The request includes vital assistance to support Administration foreign policy priorities, including additional resources to assist the people of Ukraine and those impacted by Putin’s brutal and unprovoked invasion.” (USAID, 2023) (OMB, 2023)

“the joint State Department & USAID Countering PRC Influence Fund that serves to fund programs intended to withstand the Chinese government’s “malign authoritarian model” whilst advancing the US’s own “affirmative global development agenda”.” (USAID, 2023) (OMB, 2023)

And indeed within the realist approach security is framed as the main priority of international politics. The state has the obligation of maintaining security, and the main threats to this security are other states but that does not mean that there will be an unavoidable armed conflict as realists believe these conflicts can be contained by the balance of power in the world. It has also been shown in this thesis how there is clearly an agenda set for USAID to work within this approach in both being a part of the international “conflict” with the PRC and with Russia as well as in maintaining the balance of power. It is also clear that domestic policy goals that inform foreign policy goals affect USAID evident in the:

“...more than 1 billion dollars is allocated to the State Department and USAID to bolster Central American nation’s...”

Finally, it is rather evident that USAID is very much seen as a part of US foreign policy by the way it is bundled together with the State Department and other international programs in the President’s Budget request as well as the mentioning throughout USAID’s own budget justification of allocations of funding to other programs and the State Department, this is even reinforced by the joint State Department-USAID ventures.

4.2. Securitization of International Development

Figure 1: Table showcasing the total usage of the words Development and Security within the three documents

Total usage of the word	Development	Security
ARC	78	5
USAID	17	19

Data used: (ARC, 2023) (OMB, 2023) (USAID, 2023). Counting the total usage of the words was done by omitting any subheadings containing the word but including any words of which a part of the word is either Development or Security.

Tying into the securitization theory used in this study it becomes quite evident that there has been a securitization at least of the vocabulary used in the budget justifications for foreign aid in the US. There is a heavy emphasis throughout on the improvement of security that permeates throughout the budget justification. To illustrate in short the total usage of the words Development and Security are showcased in Figure 1. Looking at the results of the quick overview of the total usage of the words, development, and security it is worth remembering that the ARC's budget justification is substantially longer than what the USAID budget justification and President's Budget request are combined. To further exemplify using parts of the documents:

*"...support an open, **secure**, and connected Indo-Pacific Region..." (USAID, 2023)*

*"...deliver **security**, **development**, and economic opportunities..." (USAID, 2023)*

*"...commitment to advancing **security**, prosperity, and freedom..." (OMB, 2023)*

*"...advances peace and **security**, especially in the Sahel..." (OMB, 2023)*

*"...expand prosperity through job creation, infrastructure **development**, and community improvement." (ARC, 2023)*

*"...implement technological enhancements that will increase **security**, workforce efficiency,..." (ARC, 2023)*

It is worth noting that development is to some extent tied to the idea of security both in the subject areas and countries of development policy as well as in the motivation for carrying out development aid and projects from funder nations. It could be theorized that the reason the ARC has to provide a lengthier and more detailed budget justification than USAID is a result of the securitization of foreign aid and hence foreign aid being in the realm of discourse that makes it crucial for national survival and international development being something that

requires “emergency actions” resulting in there not being a further need for justification of the spending by USAID

However, it also has to be said that there are instances of overgeneralized and generic language used in both documents. That with the material reviewed is hard to access and assess the actual substance and practicality of. It may very well be that there is no interest from Congress in wanting more detailed, specified, and substantial material to be able to make decisions on budget appropriations legislation.

It is a bit of ironic as well that the stated and understood motivation of the agencies' work based on the empirical material in the form of the budget justifications, is that Appalachian Regional Commission is more of an orthodox development organization than what USAID is which appears more as a foreign policy tool than a development agency. This is because only USAID frames itself as working to achieve development to the point of making the agency redundant.

To reconnect with the term existential threats there is never any plain statement of the sort made in any of the budget justifications though it is somewhat implied within the President’s budget request and USAID’s budget justification that letting China’s influence grow unchecked is a existential threat that warrants “emergency action” in funding for USAID and the State Department.

5. Conclusion

5.1. Summary

To conclude this thesis by providing an answer to the research question “*How does the budget justification for the Appalachian Regional Commission as a domestic development agency compare to that of the international development agency, the United States Agency for International Development?*” as well as the aims of the research. To kick off with the research question it is very clear that the different justifications differ widely from each other, this is of course understandable and to be expected considering the differing scope of the agencies and the width of development as a field.

However, as has been noted in this thesis project the way that the agencies frame themselves and appear to be viewed is also widely different as the ARC appears to be strictly seen as a separate development agency whilst USAID is bundled together with the State Department and other international programs and therefore appears to be viewed as a part of the US’s wider foreign service. It is also clear from the research conducted that there is a higher requirement on the ARC to account for its spending and justify it than there is for USAID. In conjunction there as a result is a higher expectation of the ARC to be able to facilitate development compared to USAID. It is of interest to mention that it seems fair to state that there is a considerable difference in both framing as well as in perspective from Congress as it concerns domestic versus international development.

It can, of course, be argued that Congress’s job as the legislature is not to uplift the entire world but to work for the best interest of constituents and American citizens and hence there is more scrutiny as well as a higher expectation of development work domestically compared to internationally and that using USAID as a tool in foreign policy is within the realm of what Congress should be doing. However, when international development is used and framed as a simple foreign policy toll it undoubtedly has to have negative implications for the general perception of both the development agency as well as for development organizations in general. There is an imbalance existent in the discourse available for use that is evident when comparing the ARC and USAID, as the ARC can not really make any claims of threats to the country's security similar to what USAID does but is restricted to development and social policy discourse.

5.2. Future Research

To improve upon the initial findings of this study two paths are apparent. Either broadening the scope of the research to include either other development agencies and organizations in the US domestic as well as the international programs, alternatively expanding the scope to other countries to compare if the difference in how domestic and international development is framed in other places is comparable to the findings of this study. The other path would be to take a look at if the difference has been existent over time and the possible nuisance that may have been noticeable over time as well.

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