



# Functional Bureau Strategy

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## **Bureau of Economic and Business Affairs (EB)**

**FOR PUBLIC RELEASE**

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## Table of Contents

1. Executive Statement .....	3
2. Bureau Strategic Framework .....	5
3. Goals and Objectives .....	7
4. Cross-cutting Management Goal and Objectives .....	19

## 1. Executive Statement

Economic prosperity has never been more important to securing U.S. interests in the world. The State/USAID Joint Strategic Plan (JSP) and National Security Strategy (NSS) both reaffirm that American national security requires sustained economic prosperity.

The Bureau of Economic and Business Affairs (EB) promotes job creation at home, boosts economic opportunities overseas, and makes America more secure. Our mission statement is, “Empowering Growth, Securing our Future.” Everything we do is aimed at ensuring that the United States remains the world’s strongest and most dynamic economy. We have refocused our efforts to better support U.S. businesses and American prosperity by ensuring a level-playing field for American companies doing business around the world and by attracting foreign investment to create jobs in America. We advocate on a daily basis for U.S. businesses abroad; we promote entrepreneurship globally to open markets for U.S. companies and promote secure commerce; we challenge countries to adopt fair, evidence-based laws that create opportunities for U.S. businesses; we help to negotiate and to enforce trade and investment agreements; we negotiate debt repayment agreements and civil air services agreements; we keep the international economy open to digital innovation and U.S. digital products through policy advocacy and treaty negotiations; we combat corrupt foreign practices; we protect and enforce intellectual property rights; and we shape economic sanctions and combat terrorist finance.

EB works in tandem with an unparalleled network of professionals – approximately 1,500 State Department economic officers in more than 190 countries and the interagency – to inform and to shape decisions that advance U.S. national security priorities around the globe. We work through a wide range of international organizations to advance U.S. goals and objectives and to ensure that these organizations remain accountable and continue to meet the needs of the American people.

We lead the State Department’s efforts to expand trade, investment, transportation, and telecommunications links, including in international financial, technical, and development institutions. We lead the State Department’s efforts to support the D-ISIS counter-finance campaign.

Exports are a key contributor to economic growth in the United States, nearly doubling as a share of GDP over the past three decades as foreign markets have grown. We leverage the resources of the international financial institutions and other economic agencies to help build more prosperous and resilient partner-nations that are able to fund their own development and security, and to become better markets for American exports. This advances our national interests while seeking more equitable burden-sharing. We protect the international financial sector from exploitation by terror groups and money launderers. We work with public and private partners to deter commercial-scale counterfeit and pirated goods networks. We produce annual country

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Investment Climate Statements and Fiscal Transparency Reports. Through these efforts, we gain partners abroad and support high quality jobs in the United States by growing our exports and attracting inward investment.

EB engages in cross-cutting issues such as advancing women's economic empowerment and technological innovation. In response to the COVID-19 global pandemic, EB is particularly focused on overcoming the economic challenges generated by COVID-19 and, toward this end, has created a dynamic Global Economic Activity and Recovery (GEAR) strategy in response to the pandemic. It is designed to ensure America's economic well-being while, simultaneously, cooperating with allies and partners to support their recovery and countering our strategic competitors. EB recognizes the role of women on economic growth, job creation, innovation, and trusted supply chains. In response, EB has launched the Providing Opportunities for Women's Economic Rise (POWER) initiative in 2019, which engages the private sector and work with U.S. missions overseas to help increase women's economic participation in the United States and abroad.

We are focused on ensuring that the United States wins the great power competition with the Peoples Republic of China (PRC). EB leads the Department's efforts to ensure that foreign countries and companies do not rely on untrusted vendors for their 5G telecommunications infrastructure. We are promoting quality infrastructure through the Blue Dot Network, identifying ports that may be vulnerable to PRC influence through the Strategic Ports Initiative (SPI), and increasing our ability to support U.S. companies overseas through the Deal Teams Initiative.

We invest in the potential of our people and increase the effectiveness of our economic officer corps by developing staff-led training and nurturing a culture of mentorship and economic leadership, including webinars, Econ@state, and regional conferences to have a lasting effect on our ability to deliver results. In short, EB combines economic and foreign policy to advance American prosperity and security.

We will conduct, on an annual basis, a senior-level review of progress under this strategy to ensure alignment of policy, planning, resources, and programming. The Bureau remains committed to monitoring its performance and keeping metrics relevant.

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## 2. Bureau Strategic Framework

**Strategic Goal 1:** Advocate for free, fair and reciprocal trade. Promote American prosperity by expanding access to overseas markets and attracting job-creating foreign investment, including by negotiating, implementing, and enforcing international agreements.

Objective 1.1 Promote free, fair, and reciprocal trade worldwide using all diplomatic tools and innovative means of engagement with stakeholders and foreign counterparts.

Objective 1.2 Support American prosperity by expanding commercial opportunities and ancillary benefits for U.S. international aviation and maritime stakeholders.

Objective 1.3 Combat foreign bribery and corruption by deepening bilateral and multilateral engagement and securing implementation of established and emerging standards, and by strengthening understanding of the links between good governance and economic growth.

Objective 1.4 Reform the Organization for Economic Cooperation and Development (OECD) to improve Member oversight and direction of the OECD and to ensure that further accessions enhance the role and effectiveness of the OECD.

Objective 1.5 Advance U.S. commercial interests through business advocacy, outreach, export promotion, promotion of foreign direct investment in the United States and commercial training for economic officers.

**Strategic Goal 2:** Protect America's security by combating terrorist financing, implementing economic sanctions, reviewing investments for national security reasons, raising the baseline of aviation and maritime security and enhancing cooperation with strategic partners.

Objective 2.1 Through EB's leading role in formulating and implementing U.S. sanctions, further diminish funding available to terrorist and other groups that pose a threat to U.S. and international security and bring greater focus to sanctions policies designed to support foreign policy objectives.

Objective 2.2 Strengthen the security and safety of the international aviation and maritime transport system.

Objective 2.3 Protect U.S. national security in the context of inward investment while maintaining openness to investment in the United States and around the world.

**Strategic Goal 3:** Strengthen the global digital economy and advocate for an open, interoperable, and secure internet.

Objective 3.1 Promote the multi-stakeholder approach to Internet governance by cultivating new allies through strong advocacy in multilateral institutions and by partnering with like-minded civil society organizations.

Objective 3.2 Ensure planning and policy development of radio spectrum is coordinated and planned efficiently to maximize national security and economic benefits from new technologies and services while protecting incumbent services, help developing countries deploy those technologies, and accelerate adoption of national standards that enable U.S. providers to make full use of new market opportunities.

Objective 3.3 Combat data localization and other barriers to market access for U.S. information and communications technology (ICT) goods and services, particularly in Europe.

**Strategic Goal 4:** Strengthen broad-based economic growth and intellectual property rights protection, and the economic empowerment of women, both in the United States and internationally.

Objective 4.1 Improve global macroeconomic stability including by managing sovereign debt, advocating for financial stability, and promoting fiscal transparency.

Objective 4.2 Strengthen global connectivity and growth for American entrepreneurs and small and medium enterprises (SMEs) by linking them to global partners, markets, and opportunities, including a focus on the economic empowerment of women.

Objective 4.3 In partnership with the Department of Commerce, Trade and Development Agency (TDA), Development Finance Corporation (DFC) and Export-Import Bank (EXIM), expand support and facilitation for U.S. companies operating in foreign markets, particularly for infrastructure and government procurement, thereby sustaining further expansion of U.S. exports and greater earnings from U.S. investments overseas.

Objective 4.4 Promote fair and rules-based investment policies. Monitor progress on investment climate barriers and reforms via annual [Investment Climate Statements](#). Strengthen EB outreach and public diplomacy work stressing the importance of fair investment policies for global prosperity.

Objective 4.5 Advance infrastructure investment and regional connectivity in key developing countries, with ancillary benefits for U.S. business.

Objective 4.6 Strengthen intellectual property rights and enforcement in overseas markets to protect U.S. industries and foster innovation.

**Strategic Goal 5 (Cross-cutting/management):** Develop and empower economic officers in Washington and around the world.

Management Objective 5.1 Improve collaboration between regional and policy bureaus on economic issues by expanding opportunities for information sharing.

Management Objective 5.2 Facilitate access to and increase use of bureau economic resources, training and other professional development to improve data-based analysis, retention and advancement.

### 3. Goals and Objectives

**Bureau Goal 1:** Advocate for free, fair and reciprocal trade. Promote American prosperity by expanding access to overseas markets and attracting job-creating foreign investment, including by negotiating, implementing, and enforcing international agreements.

#### a. Description and Linkages

EB has a vital role to play in achieving the Joint Strategic Plan (JSP) goal to renew America's competitive advantage for sustained economic growth and job creation (JSP Goal 2). EB and the over 270 U.S. diplomatic missions abroad are front-line platforms to help U.S. business succeed in global markets and attract foreign investment to the United States. EB leverages its global reach through embassies to mobilize a whole-of-government approach to advancing U.S. economic and commercial interests while making the public case for free, fair, and reciprocal trade. The United States is the world's largest and most innovative economy, but retaining our preeminence requires constant vigilance to ensure that American companies and American workers can continue to compete and thrive in a rapidly changing global economy. As the United States integrates further with global trading partners, key risks to the American economy and our collective prosperity include disruptive technologies; intellectual property theft; the rise of authoritarian, state-led, and protectionist economic development models; and, geopolitical tensions.

**Bureau Objective 1.1:** Promote free, fair, and reciprocal trade worldwide using all diplomatic tools and innovative means of engagement with stakeholders and foreign counterparts.

**a. Justification**

American exporters face a range of tariff and non-tariff barriers that limit the benefits of international trade, erode U.S. competitiveness in overseas markets, and undermine domestic political support for the international trading systems. Achieving free, fair, and reciprocal access for American goods and services abroad helps our companies to compete successfully, which directly supports American prosperity by creating jobs, attracting further investment, and generating tax revenues to finance infrastructure, education, and other public investments that can support sustained economic growth. EB will pursue this objective by identifying and promoting new opportunities for American exporters; by engaging trading partners bilaterally and through multilateral fora to identify and correct unfair trading practices; and by shaping the U.S. government's policy response to persistent unfair trading practices. When tougher enforcement measures are warranted, EB will work with interagency partners and our network of Embassies and Consulates to ensure effective implementation that achieves our policy goals. EB will use "Direct Line" conference calls and webinars to connect ambassadors directly to U.S. businesses pursuing export opportunities. EB will leverage its position within the State Department to manage the impact of trade policy actions on key foreign policy considerations.

**Bureau Objective 1.2:** Support American prosperity by expanding commercial opportunities and ancillary benefits for U.S. international aviation and maritime stakeholders.

**a. Justification**

An open, fair, efficient, safe and secure transportation sector is essential for the U.S. economy and national security. Civil aviation contributes five percent of U.S. GDP and contributes to over ten million jobs. In 2016 the U.S. traded some \$1 trillion worth of goods by air, while over 90 percent of the world's cargo by tonnage moves by sea. Opening air services markets and leveling the playing field for U.S. air carriers promotes American prosperity. EB leads the negotiation of air services agreements with foreign partners, in consultation with the Departments of Transportation and Commerce. A risk factor is foreign government protectionism.



**Bureau Objective 1.3:** Combat foreign bribery and corruption by deepening bilateral and multilateral engagement and securing implementation of established and emerging standards, and by strengthening understanding of the links between good governance and economic growth.

**a. Justification**

Bribery skews the playing field for law-abiding businesses and threatens good governance, sustainable development, and democratic processes. Corruption also corrodes public trust in countries, both rich and poor, and inflicts particular harm on emerging economies. By mandating that signatory countries criminalize bribery of foreign officials in international business transactions and creating a monitoring mechanism to ensure robust enforcement of those laws, the Anti-Bribery Convention has helped to establish an international approach to rooting out a global problem; U.S. leadership will continue to be key to its further success. Going forward, the United States should secure commitments by governments of key emerging economies to combat corruption and adhere to international anti-bribery standards. Contributing risk factors include the rise of authoritarian, state-led, and protectionist economic development models.

**Bureau Objective 1.4:** Use the Organization for Economic Cooperation and Development (OECD) to project U.S. best practices in economic governance. Implement a reform program that improves Member oversight and ensures that further accessions enhance the utility of the OECD.

**a. Justification**

The United States uses the OECD to advance its economic innovations and standards, resulting in a welcoming business environment for U.S. firms wherever OECD standards are adopted. This objective captures how our success at OECD supports JSP Goal 3 (Promote American Leadership through Balanced Engagement) and JSP objective 3.2 (Engaging international fora to further American values and foreign policy goals while seeking more equitable burden sharing). EB is continuing to push for financing reform at the OECD, including the increased budget transparency. Risk factors include an expanding membership, increased reliance on voluntary contributions, and a more top-down management style by Secretariat leadership which make additional reforms necessary.

**Bureau Objective 1.5:** Advance U.S. commercial interests through business advocacy, outreach, export promotion, promotion of foreign direct investment in the United States and commercial training for economic officers.

**a. Justification**

Through economic and diplomatic work, the Department sets the stage for U.S. companies to enter new markets. One of the clearest indicators of U.S. trade and investment promotion activity success (including effective U.S. government advocacy) is U.S. firms winning foreign-sponsored projects supporting U.S. job creation. The Department of Commerce's Advocacy Center manages the U.S. government's advocacy process and works with other agencies to coordinate high-level U.S. government engagement. This support helps U.S. exporters win public-sector contracts with foreign government agencies. Senior-level advocacy on these cases, which typically takes the form of phone calls, meetings, and/or letters to foreign government officials in support of a U.S. company or business unit, is the pinnacle of the Department's advocacy efforts and requires close coordination between the Departments of State and Commerce in support of economic growth and jobs at home. The below indicator tracks interactions by senior State Department officials (Ambassadors, Deputy Chiefs of Mission, Principal Officers, or Deputy Assistant Secretary-level and above) reported in the Advocacy Center's annual Summaries of Wins document. There are several risks associated with this objective. Advocacy wins are often multi-year efforts. The indicator tallies advocacy efforts when a win is recorded (e.g. contract signed); the annual value is subject to the rise and fall of global economic trends and underlying business opportunities available for U.S. government advocacy. As facilitators and not decision makers, U.S. government advocacy may not result in wins for U.S. companies.

**Bureau Goal 2:** Protect America's security by combating terrorist financing, implementing economic sanctions, reviewing investments for national security reasons, raising the baseline of aviation and maritime security and enhancing cooperation with strategic partners.

**a. Description and Linkages**

Economic security is a key element of national security. We use a variety of economic tools to achieve the national security objectives set forth in the United States' National Security Strategy and the Department of State and USAID Joint Strategic Plan, including JSP objective 1.2: Defeat ISIS, al-Qa'ida and other Transnational terrorist organizations, and counter state-sponsored, regional, and local terrorist groups that threaten U.S. national security interests. The tools include combating terrorist financing through designations that block terrorists' assets, closely managing the international trade in rough diamonds to avoid armed groups from selling conflict diamonds, and encouraging industry to use enhanced due diligence to avoid sourcing minerals from conflict zones.

**Bureau Objective 2.1:** Through EB's leading role in formulating and implementing U.S. sanctions, further diminish funding available to terrorist and other groups that pose a threat to U.S. and international security and bring greater focus to sanctions policies designed to support foreign policy objectives

**a. Justification**

EB plays a leading role within the State Department and the interagency in formulating and implementing U.S. economic sanctions policies, diminishing funding available to those who finance and facilitate financing for terrorist groups, and delinking high value extractive industries from violence and conflict. TFS works to build a safe, prosperous world where terrorists' and other groups' abilities to finance illegal or violent activities and commit attacks are degraded, and sanctions tools are used effectively to incentivize change in behavior. TFS also seeks to limit the unintended consequences of coercive economic measures, including capital and banking restrictions on vulnerable populations and over compliance by private institutions. As ISIS adapts its sources of revenue and financial activity to respond to its territorial losses in Iraq and Syria, EB will advance our Counter ISIS strategy by focusing on ways to prevent ISIS's abuse of money services businesses, deny ISIS access to new sources of revenue, and cut ISIS branches' financial links. EB will also help advance the United States' comprehensive strategy to counter Iran's full spectrum of malign activities by increasing financial pressure on Iran and its network of terrorist and militant groups. One risk to achieving our objectives is that we must coordinate with and rely on other departments and agencies to implement parts of our strategies to counter terrorist financing. For example, the Department of the Treasury may prioritize different terrorist groups, and as a result issue fewer counter terrorism designations on the targets we prioritize. Similarly, the Department of Defense may reduce airstrikes against key ISIS resources as it prioritizes other parts of the military campaign against ISIS. Such steps would be outside our control but would negatively affect our efforts to increase pressure on these terrorist groups' resources.

**Bureau Objective 2.2:** Strengthen the security and safety of the international aviation and maritime transport system.

**a. Justification**

International transportation is not only a significant economic activity in its own right, but also provides essential support for international business, moving goods, services, and people. A safe and secure international transportation system supports U.S. economic goals by ensuring that goods and services can move seamlessly throughout the global economy. Within the Department, EB leads efforts to build international support for maritime and aviation security programs and initiatives including pushing out America's security perimeter through preclearance of travelers to the United States and enhancing maritime domain awareness and port security, and further enlisting the international transportation sector to fight human and wildlife trafficking. EB works closely with the U.S. Coast Guard, the Transportation Security Administration (TSA) and U.S. Customs

and Border Protection (CBP) to facilitate their assessments of foreign government adherence to international aviation and maritime security standards, and to identify and address threats to the United States before they cross U.S. borders. EB also works with the Federal Aviation Administration to enhance aviation safety and ensure compliance with international aviation safety standards. With interagency partners and the private sector, EB promotes awareness, and prevents the abuse of legitimate transportation networks to facilitate the movement of illicit goods, including trafficking in persons and wildlife. EB works to support a USAID-funded program to Reduce Opportunities for the Unlawful Transport of Endangered Species (ROUTES), a five year program focused on the transportation and logistics sector. A risk to the success of efforts to prevent the abuse of legitimate transport networks might be a lack of future funding and domestic support for the program.

**Bureau Objective 2.3:** Protect U.S. national security in the context of inward investment while maintaining openness to investment in the United States and around the world.

**a. Justification**

The Department serves as a member of the Committee on Foreign Investment in the United States (CFIUS), an interagency committee with the power to block foreign acquisitions of existing U.S. businesses for national security reasons. CFIUS, by focusing solely on national security, is consistent with the U.S. open investment policy, which recognizes that inward investment supports U.S. jobs, exports, and competitiveness.

Strategic efforts by competitor nations to acquire technological advantages through investment are convincing many countries, including the United States, to strengthen their mechanisms and policies for reviewing inward investments for national security reasons. The U.S. Congress is considering legislation to update the authorities governing CFIUS. As set forth in the National Security Strategy, we intend to work with Congress to strengthen CFIUS to ensure it addresses current and future national security risks.

National security concerns relating to investment transcend national borders.

Recognizing this shared interest, many of our allies and other like-minded partner governments are also considering adopting or reforming mechanisms for national security reviews of investments.

One risk is that failure to address these emerging challenges would threaten the national security of the United States, and undermine a central pillar of the welcoming approach of the United States to foreign investment.

**Bureau Goal 3:** Strengthen the global digital economy and advocate for an open, interoperable, and secure Internet.

**a. Description and Linkages**

The U.S. position as the global leader in information and communications technology and the digital economy promotes American prosperity and global leadership. Through EB's statutory lead on international communication policy, we will work with foreign

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governments and multilateral organizations to preserve American leadership in this key sector, and the attendant economic benefits that accrue to the United States. We will also work to strengthen the global architecture for internet governance and regulation of the digital economy that supports the continued primacy of the United States in the internet and digital economy space. In support of JSP Strategic Objective 2.1: Promote American prosperity by advancing bilateral relationships and leveraging international institutions and agreements to open markets, secure commercial opportunities, and foster investment and innovation to contribute to U.S. job creation, we will work to bring the power of information and communication technology (ICT) to more of the world's inhabitants; make the public case for greater connectivity and the importance of a free and open internet; create a positive regulatory environment for the rapid growth of the digital economy; and help developing countries improve their regulatory and market conditions in the ICT sector.

**Bureau Objective 3.1:** Promote the multi-stakeholder approach to Internet governance by cultivating new allies through strong advocacy in multilateral institutions and by partnering with like-minded civil society organizations.

**a. Justification**

The multi-stakeholder approach to internet governance underpins the ability of the internet to serve as an incredible engine of growth for the United States and the world. A risk to the U.S. goal is that authoritarian countries such as China and Russia are working to undermine this model, seeking to replace it with a State-centric model that would limit entrepreneurship and stifle innovation. To preserve both the dynamism of the internet and America's leadership role in the digital economy, we must defend the multi-stakeholder approach by cultivating new allies, such as India, and through strong advocacy in multilateral institutions, such as the ITU, OECD, Internet Governance Forum (IGF), Association of Southeast Asian Nations (ASEAN), and the Asia-Pacific Economic Cooperation (APEC) Forum's Telecommunications Committee (TEL). We will also partner with like-minded civil society organizations and international organizations on public outreach efforts concerning Internet governance.

**Bureau Objective 3.2:** Ensure planning and policy development of radio spectrum is coordinated and planned efficiently to maximize national security and economic benefits from new technologies and services while protecting incumbent services, help developing countries deploy those technologies, and accelerate adoption of national standards that enable U.S. providers to make full use of new market opportunities.

**a. Justification**

Working with international organizations and standards-setting bodies to ensure efficient allocation and use of radio spectrum shapes the world regulatory environment in our favor to directly benefit U.S. businesses. Conversely, and a risk to achieving this

objective, ceding this leadership to China and other states could result in fewer benefits accruing to the United States economy and more to our competitors. Through negotiations on the wireless spectrum, we have achieved greater access for U.S. companies to global markets such as the over \$1 trillion/year mobile wireless market and the satellite industry market, which provides over 213,000 American jobs and \$89 billion in U.S. revenues, along with new opportunities such as the expanding Unmanned Aircraft Systems market, which is expected to total over \$90 billion in the next ten years. U.S. engagement on spectrum allocations not only advances U.S. innovation and economic growth, but also preserves national security and continued U.S. leadership in communications technology development and services, while setting global wireless policy.

**Bureau Objective 3.3:** Combat data localization and other barriers to market access for U.S. information and communications technology (ICT) goods and services, particularly in Europe.

**a. Justification**

U.S. digital exports contribute to jobs creation and economic growth in the United States. A risk to achieving this goal, is that many countries are attempting to use restrictions on data flows, often justified on data privacy or cybersecurity grounds, to limit the ability of U.S. firms to compete against domestic firms. In response, the United States seeks to lower barriers in overseas markets to exports of U.S. digital goods and digitally enabled services of all types through bilateral and multilateral engagement. The United States encourages regulatory environments that enable the development and deployment of information technology and telecommunications goods and services generally and are open to foreign providers specifically. These efforts complement the strengths of U.S. private sector competitors in this field and support increases in exports of U.S. digital products.

**Bureau Goal 4:** Strengthen broad-based economic growth, and intellectual property rights protection, and the economic empowerment of women, both in the United States and internationally.

**a. Description and Linkages**

EB holds a number of levers to positively influence the economic development of partner countries – including its Fiscal Transparency Innovation Fund (FTIF) – but our main tools are policy advocacy for transparency, good governance, and rules-based economic order both bilaterally and in multilateral bodies. We combine this with our work with partners, importantly the International Financial Institutions led by the International Monetary Fund (IMF) and Multilateral Development Banks (MDBs), who deploy much

of the official resources available for economic development. EB will continue to facilitate Economic Policy Dialogues with key target countries to enhance communication and push for economic reforms in those countries. Stabilizing countries in the Middle East and Central America and supporting nations in the Indo-Pacific region will remain particular priorities. EB recognizes that investing in women and girls generates economic and social benefits for communities and that when women do well, countries do well. We have prioritized the economic empowerment of women as a way to promote economic growth and create jobs, and recognize that advancing women's economic participation globally is critical to achieving U.S. economic, foreign policy, and national security objectives. EB launched the POWER initiative which aims to significantly expand and improve coordination on activities in support of women's economic empowerment to help advance global economic development, bilateral trade, job creation, innovation, and engagement of U.S. private sector, particularly among women-led businesses. EB will also work to support minority-owned American exporters and importers, such as women-led businesses, by working with allies through bilateral and multilateral fora in support of more inclusive and enabling business environments. This goal supports JSP Goal 2, Renew America's Competitive Advantage for Sustained Economic Growth and Job Creation.

Several risks to broad based economic growth stand out. These include markets' response to normalization of monetary policy in developed countries. Potential increases in global interest rates and negative shocks to commodity prices could impede growth and destabilize emerging markets.

**Bureau Objective 4.1:** Improve global macroeconomic stability including by managing sovereign debt, advocating for financial stability, and promoting fiscal transparency issues.

**a. Justification**

International financial instability can put U.S. interests at risk. EB lines of efforts to secure financial stability, increase fiscal transparency, and manage sovereign debt are central to strengthening broad-based economic growth and the economic empowerment of women. By ensuring that U.S. foreign and economic policy interests are well represented at the IMF and in IMF lending and technical assistance programs, we support the economic reforms critical to economic and political stability and the broad-based global economic growth needed to drive demand for U.S. products and services.

By promoting fiscal transparency through issuance of the annual Fiscal Transparency Report and management of the Fiscal Transparency Innovation Fund (FTIF), EB improves financial management and government accountability. This helps to level the playing field for U.S. business, increases market confidence, and reduces the costs of corruption that lowers economic growth, investment, and the tax revenues needed to fund

health and education expenditures vital to broad-based economic growth and opportunity. By leveraging coordinated action in the Paris Club to resolve sovereign debt failures, we maximize repayment to U.S. taxpayers. We also provide coordinated financial assistance with appropriate burden-sharing to the most vulnerable debtor nations, a key step to restore sustainable growth in those nations.

**Bureau Objective 4.2:** Strengthen global connectivity and growth for American entrepreneurs and small and medium enterprises (SMEs) by linking them to global partners, markets, and opportunities, including a focus on the economic empowerment of women.

**a. Justification**

Promoting American prosperity and U.S. job creation, including the economic vitality created via entrepreneurship, is a key U.S. government goal. Specifically, the promotion of entrepreneurship supports JSP Objective 2.1: Promote American prosperity by advancing bilateral relationships and leveraging international institutions and agreements to open markets, secure commercial opportunities, and foster investment and innovation to contribute to U.S. job creation. Initiatives created within the State Department and interagency to promote small business development and entrepreneurship remain largely uncoordinated, resulting in inefficiencies and redundancies. Achieving greater working level coordination will result in increased sharing of information on programming and priorities across the Department and interagency. This reduces this risk and will ensure our efforts and resources are better aligned with national security and foreign policy priorities. The Global Entrepreneurship Program (GEP) team will lead this effort to realize a more coordinated, deliberate, and strategic U.S. government approach to the promotion of small business development and entrepreneurship, while strengthening our engagement with U.S. entrepreneurial networks and small business associations.

**Bureau Objective 4.3:** In partnership with the Department of Commerce, TDA, DFC and EXIM, expand support and facilitation for U.S. companies operating in foreign markets, particularly for infrastructure and government procurement, thereby sustaining further expansion of U.S. exports and greater earnings from U.S. investments overseas.

**a. Justification**

The global infrastructure and capital project market is expected to double by 2025<sup>1</sup> to over \$9 trillion per year from \$4 trillion in 2012, yet the U.S. share of the market remains small relative to U.S. GDP and our technological edge. EB, partnering with the Department of Commerce and other agencies including TDA, OPIC, and EXIM, can work to better support U.S. business in competing for key opportunities in major markets. Through the Infrastructure Transaction and Assistance Network (ITAN), the bureau\* EB? has created a coordinating mechanism to bring these entities together. The Blue Dot Network (BDN) will give companies confidence a certified project will meet the highest standards. This creates a number of natural incentives for private sector companies to

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<sup>1</sup> Source: PriceWaterhouseCoopers



join the initiative. Achieving this objective will help expand U.S. exports – from architectural design to heavy equipment sales to financial services to electronic control systems – and support the sustainable development of countries, in particular middle-income countries, who are expanding their infrastructure in critical areas including power, transportation, and environmental services such as water. Risks include global economic shocks and economic slowdowns in middle-income countries which could result in fewer opportunities for U.S. companies. Domestic support for U.S. agencies is also assumed in order realize this goal.

**Bureau Objective 4.4:** Promote fair and rules-based investment policies. Monitor progress on investment climate barriers and reforms via annual Investment Climate Statements. Strengthen EB outreach and public diplomacy work stressing the importance of fair investment policies for global prosperity.

**a. Justification**

The Administration is pursuing free, fair, and reciprocal economic relationships. Business opportunities for U.S. companies in foreign markets create new opportunities for U.S. exports. A risk to this objective is that market barriers can limit these opportunities and result in unfair, non-reciprocal operating conditions. Barriers to U.S. companies can include a lack of transparency, forced technology transfer requirements, lack of intellectual property rights protections, and inadequate infrastructure. The State Department monitors these barriers and promotes appropriate reforms. The Department also provides foreign policy advice and guidance to the Development Finance Corporation (DFC) and will use State Department channels to broaden DFC's reach and impact. Modernized development finance tools can support new opportunities for U.S. companies, and promote stability, prosperity, and political reforms. Failure to engage on these issues would diminish opportunities for U.S. companies in overseas markets, and would compromise the U.S. role in the world economy relative to our competitors.

**Bureau Objective 4.5:** Advance infrastructure investment and regional connectivity in key developing countries, with ancillary benefits for U.S. business.

**a. Justification**

The United States supports improved regional connectivity and better infrastructure around the globe for both commercial reasons and as a matter of national security. We must ensure a level playing field so that our companies can compete and win contracts for important, long-term, and relationship-defining infrastructure projects. These transactions are not only important in and of themselves, they are also important as a means of setting international norms and for maintaining a free and open global trade and investment system welcoming to U.S. business. Infrastructure is a key component of unlocking development and economic growth; development financing should adhere to high standards when it comes to governance, transparency, debt sustainability, the environment, and social safeguards. The United States promotes high standards to ensure that as countries make decisions about expensive and long-term infrastructure investments, they are equipped to select the best-value option that will maximize benefits for their own economic development. The Blue Dot Network convenes countries dedicated to implementing infrastructure development under widely agreed high standards. The Blue Dot Network will level the playing field for American companies by creating demand for high-standard infrastructure abroad. Many of these infrastructure and regional connectivity efforts are linked to and require sustained economic growth abroad and a risk is that they could be hampered by global shocks or slowdown.

**Bureau Objective 4.6:** Strengthen intellectual property rights and enforcement in overseas markets to protect U.S. industries and foster innovation.

**a. Justification**

Intellectual property rights (IPR) protection is prominently featured in the President's National Security Strategy (NSS), in the February 2017 Executive Order on transnational organized crime, in the Annual Report of the Council of Economic Advisers and in the Department's 2020 Budget Guidance. The Office of International Intellectual Property Rights and Enforcement (IPE)\* works with U.S. private-sector stakeholders, U.S. Patent and Trademark Office (USPTO), ambassadors and economic officers serving at U.S. missions in 190 countries, economic officers in State Department regional bureaus, and the interagency to identify IPR challenges, formulate strategies that advance U.S. interests, and engage internationally. Through overseas public outreach highlighting benefits of strong intellectual property (IP) policies and dangers of weak policies, strengthening and coordinating existing U.S. IP capacity building and training programs, and working to build political will in countries overseas, IPE\*, in conjunction with interagency colleagues and experts, seeks to advance the U.S. government's intellectual property policy and enforcement goals. Protecting our evolving technologies and ideas from theft and forced

technology transfers, to which American enterprises are increasingly subject abroad, is in America's economic interest. Protecting the results of American ingenuity—such as new technology, research findings, and other forms of innovation—is crucial to our future economic and wage growth. Increasing IP theft is a risk that requires constant vigilance and action.

## 4. Cross-cutting Management Goal and Objectives

**Management Goal 1:** Develop and empower economic officers in Washington and around the world to facilitate achievement of policy goals.

### a. Description and Linkages

U.S. diplomacy is too often siloed among policy (also described as 'functional') bureaus that manage issues and regional bureaus managing bilateral relationships. Strengthening our economic and commercial diplomacy requires professionals versed in both economic fundamentals and bilateral contexts and an agreed-upon set of strategic goals. Through this goal, EB will strengthen both its staff in the bureau as well as those working on economic issues in other bureaus and in posts around the world. EB will focus on professional and leadership development. One way will be by increasing the use of economic diagnostics to identify priority areas of work. This goal supports JSP goal 4.3 of enhancing workforce performance, leadership, engagement, and accountability to execute our mission more efficiently and effectively.

**Management Objective 5.1:** Improve collaboration between regional and policy bureaus on economic issues by expanding opportunities for information sharing.

### a. Justification

Coordination with regional bureaus remains vital to successfully implementing and amplifying economic policies. EB will empower EB's Regional Coordinators, who serve in a liaison position between the bureau and regional bureaus, and develop joint economic strategies with regional bureaus. To succeed, this goal will require buy-in from Bureau leadership throughout the State Department.

**Management Objective 5.2:** Facilitate access to and increase use of bureau economic resources, training and other professional development to improve data-based analysis, retention and advancement.

**a. Justification**

Promoting and increasing staff use of economic resources will result in a more efficient and effective workforce. A lack of access to and/or knowledge of technological solutions available to personnel constrain our work. Some staff are often unaware of existing resources such as Haver and Econ@state. EB personnel have uneven technology skills, hampering bureau-wide productivity. With improved access and training, EB could be more agile, ensuring it is well prepared to confront 21<sup>st</sup> century global challenges. Stakeholders include the Bunche librarians, E-Diplomacy, Department of Commerce Analytics section, and School of Professional Studies – Economic and Commercial Studies at the Foreign Service Institute (FSI). Quality economic analysis informs and improves policy decisions, both economic and broader strategic policy. It provides important context to social and political developments and quantifies effects. EB plays a central role in improving State’s economic analysis by leveraging its own expertise and producing analytic products, and also by providing and encouraging officers to use economic data resources . One risk is that policy formulation will occur without the economic angle being fully considered, leading to a disempowering of economic staff throughout the State Department.