

on perceived candidate slights and stylistic differences. And despite the large number of presidential debates, they have revolved around the candidates' pasts or minuscule policy differences. No one is asking—or answering—that simple, but vital question: what's next?

That's why we are dedicating a large part of this issue to putting forward a new progressive agenda. *Democracy* always has seen its role as revitalizing and renewing progressive thinking for a new century. Usually, we focus on ideas instead of policies—on overarching approaches rather than the specific proposals which follow from them. But, at this moment, we believe that it is critical to do something slightly different and present 20 specific policies that can point the way toward the next progressivism.

To arrive at this list, we contacted more than 600 policymakers, academics, thinkers, writers, and activists and asked them for their one big idea. We weren't interested in policy tinkers nor the important, but common, policy prescriptions often bandied about. Instead, we looked for big—even radical—ideas that creatively addressed one of the major problems we face, and could conceivably be implemented someday soon. The responses cover the gamut: from the water crisis in the West to the prospects of peace in the Middle East, from middle-class schools to long-term care, and from ending foreign aid as we know it to curbing climate change. We hope these essays provoke a debate over these next nine months until the next president is sworn in, and start to shape the next progressive agenda.

End Foreign Aid As We Know It

Larry Diamond

After more than four decades and \$500 billion in international aid, much of Africa remains as poor, if not worse off, than it was at independence. The same is true around the world: Aid flows profusely to governments with little or no inclination to control corruption and reduce poverty. Despite tough talk about “good governance,” it is still largely business as usual: predatory governments pretend to be promoting development, and the donors profess to be aiding it. The losers are the people of these so-called “developing countries,” who lack the schools, clinics, medicines, roads, housing, irrigation, sanitation, drinking water, credit, and justice that they need to be productive—or even survive.

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More money is not the answer. It's time to end foreign aid as we know it. We can begin by building on one of President George W. Bush's few good initiatives, the Millennium Challenge Account (MCA), which operates on the basis of incentives and "selectivity." Low- and lower-middle-income countries compete for sizeable increases in aid on the basis of three criteria: ruling justly (by providing freedom and a rule of law and by controlling corruption); investing in people (especially basic health and education); and promoting economic freedom. Sixteen publicly available indicators, drawn from independent agencies, are used to measure the criteria, and are applied in a reasonably fair and independent fashion.

But these new principles still govern only a small proportion of overall U.S. foreign aid, much of which continues to flow to deeply corrupt governments. Moreover, MCA assistance is not without its flaws. It is awarded on a curve so

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if most of the potential recipients have high levels of corruption and malfeasance, the aid simply goes to the "less bad." And there is no coherent strategy to demand that countries construct strong institutions of accountability to uncover and punish corruption. In addition, while other donors are gingerly moving toward good governance

standards, only the United States has established an entire aid program based on these principles. Finally, the Millennium Challenge Corporation, which disburses MCA funds, has been too hung up negotiating the details of country assistance projects, and thus slow to send money.

So what next? First, apart from public health and urgent humanitarian aid, the American foreign aid budget (which totaled \$23.5 billion in 2006) should be reorganized around MCA principles, with a particular emphasis on institutions to control corruption. Countries serious about governance and development—as measured without a curve—should get substantial aid increases. Venal governments should be largely cut off (unless the president signs and Congress approves a waiver for explicit national security reasons). Each country should come up with its own reform plan, as a result of free and vigorous discussion. However, any credible plan must include some key components: a free press; an independent judiciary; and robust institutions of accountability such as a counter-corruption commission, an ombudsman, and audit agencies. All of these must have the leadership, legal authority, and resources to monitor official conduct and probe and punish wrongdoing. Once they are established and given the necessary authority, the donors should provide generous financial and technical assistance to help train and equip them.

Second, the practice of relieving the debts of bad governments, only to have them pile up fresh debt in new frenzies of corruption, should end. Future debts of low-income countries should not be forgiven in one fell swoop, but suspended and retired incrementally (for example, at 10 percent annually for every year that countries adhere to good-governance standards).

Third, we need to fight for aid accountability globally. We should push Europe, Japan, and the World Bank to also reorganize their own aid programs. And the next administration should press the World Bank for radical reform of its structures and practices, both to root out corruption in its own projects and to insist on better governance as a condition for aid. The whole logic of global aid institutions has to change, so that officials are rewarded for stimulating real development, not for pushing money out the door.

Finally, we need a fundamental reorganization of our own institutions to promote development. In its current understaffed, over-bureaucratized, demoralized state—with heavy reliance on for-profit corporations to implement its programs—the U.S. Agency for International Development cannot be the agent of a global “new deal” for development. It should become a cabinet-level Department of International Development and Reconstruction, with a dramatic expansion of career staff (back to the levels of the 1960s), enhanced democracy and governance assistance programs, and more capacity to move quickly into changing circumstances with diffuse engagement and small grants.

In the world’s poorest countries, poor people and their civil societies know that aid will not bring development without accountability and a rule of law. The next American president can win their hearts and change their minds about America—and improve our own security—by showing that we agree. ▀

New Economy Safety Net

Lael Brainard

Our economy has undergone profound changes over just the last seven years, exposing American workers to the bracing winds of global competition and technological advance as never before. The integration of China and India into the world economy is expanding the global labor force by 70 percent, while the digitization of services is exposing white-collar workers to global com-

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