

**STATEMENT FOR THE RECORD
SENATOR GEORGE V. VOINOVICH
SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, THE
FEDERAL WORKFORCE, AND THE DISTRICT OF COLUMBIA
“A RELIANCE ON SMART POWER – REFORMING THE FOREIGN ASSISTANCE
BUREAUCRACY”
JULY 31, 2008**

Chairman Akaka, thank you for convening today’s hearing to examine our foreign assistance structure. As a senior member of the Foreign Relations Committee, I’ve had the opportunity to meet regularly with international leaders to advance our public diplomacy. As the United States seeks to advance its interests and promote global stability, the delivery of foreign assistance in a timely and consistent manner is crucial to our efforts to support democracy abroad.

Our current framework limits the return on our investment. Many would be surprised to learn that our foreign assistance structure spans 26 agencies and offices. The Department of State and U.S. Agency for International Development control just over half of our development assistance, and, in 2008, will provide more than \$24 billion to 155 countries. Without an ‘orchestra leader’ to direct our development

program and integrate existing agency silos, we limit our collective ability to strengthen this third pillar of our National Security Strategy.

Critics have described our current aid structure as ‘fractious,’ ‘cumbersome,’ and ‘rigid’ – a relic of the Cold War. While the creation of the F Bureau was well intended, most agree further reform is necessary. It seems to me that our development goals could be more easily accomplished if all partners involved sat down and crafted a comprehensive foreign assistance strategy.

Compounding an ineffective structure is the lack of an adequate number of trained personnel to administer our foreign aid framework. The forthcoming report by the American Academy of Diplomacy, which I am proud to be a part of, will show that USAID currently has 2,200 personnel who administer more than \$8 billion annually in development and other assistance, following cumulative staff reductions of nearly 40% during the past two decades. While the average federal contracting officer oversees an estimated \$10 million in contracts, the average USAID contracting officer is responsible for approximately \$57 million.

Our foreign aid is intended to ensure stability and prosperity overseas. We also hope that our investment will help us win the hearts and minds of those we are trying to help. In 2007, the Program on International Policy Attitudes reported that 20 of 26 countries surveyed, including many who receive millions of dollars of U.S. foreign assistance, felt the United States was “having a negative influence” on the world. Unfortunately, these numbers are the lowest ever recorded. While Secretary Rice is to be commended for her Transformational Diplomacy initiative, it is clear that we’ve got to do more. Secretary Gates also encouraged us earlier this month to strengthen our civilian institutions of diplomacy and development.

I hope today’s hearing will result in a foreign assistance structure that is well-managed, supported by highly-skilled individuals committed to public service, and funded in a manner that allows us to use our foreign policy tools more effectively to meet the challenges of our rapidly changing world.

Thank you, Mr. Chairman.