

## **U.S. foreign aid needs overhaul**

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WASHINGTON - A 3-year-old State Department effort to streamline U.S. foreign assistance policy is foundering, according to a Government Accountability Office report to be released today.

The GAO report, obtained by USA TODAY, concludes that a 2006 initiative by then-secretary of State Condoleezza Rice to reform the scattershot programs has made progress but has not overcome major hurdles. Programs remain disconnected from a larger strategy, the report says.

The Rice effort sought to unify what the report says is about \$18.9 billion in programs under the State Department and the U.S. Agency for International Development (USAID), but it didn't include as many as 18 other agencies that deliver foreign aid, said Steven Radelet, a senior fellow at the Center for Global Development and a former Treasury Department official.

For that reason, lawmakers, foreign policy experts and Secretary of State Hillary Rodham Clinton are contemplating a larger overhaul.

"This report underscores the need for a foreign assistance strategy that lays out the purpose and goals of the aid we provide to other countries," Rep. Howard Berman, D-Calif., chairman of the House Foreign Affairs Committee, said in a statement.

He said he will shortly introduce a bill to address that.

Clinton emphasized some of the same points Wednesday while testifying before Berman's committee. She has often pledged to reform foreign aid.

Speaking about U.S. aid to Africa, Clinton told Rep. David Scott, D-Ga., that she "didn't know where a lot of it ends up." Also, she said, "we waste way too much money on contractors."

Half of the money spent on foreign aid "doesn't even end up ... serving the people it should serve," Clinton said. That makes "it really hard to make the case that our aid over decades has made the difference it should have made in the lives of the people of so many African countries."

"I think we have to start over, Mr. Chairman," Clinton said.

However, President Obama has not filled key foreign-aid-related jobs, such as the USAID administrator and the State Department's director of foreign assistance.

"It's up in the air what the new administration is going to do," Radelet said.