

**Statement of Rev. David Beckmann,
President, Bread for the World
and
Co-Chair, Modernizing Foreign Assistance Network**

Before the U.S. Senate Committee on Foreign Relations

“The Case for Reform: Foreign Aid and Development in a New Era”

July 22, 2009

Chairman Kerry, Ranking Member Lugar, and members of the Committee, thank you for inviting me to testify. I am David Beckmann, president of Bread for the World, a collective Christian voice urging our nation’s decision makers to end hunger at home and abroad. I also serve as co-chair of the Modernizing Foreign Assistance Network, a broad coalition of groups and individuals working to make U.S. foreign aid more effective in support of global development and the reduction of poverty.

I am grateful for this hearing and for the draft legislation that Senators Kerry, Lugar, Menendez, and Corker have developed. I especially appreciate the fact that you are working in a bipartisan way on this issue. The institutional changes you legislate will be better and more long-lasting if members of both parties, conservatives and liberals, contribute their points of view.

Now is the time for foreign aid reform. President Bush led a major expansion of foreign aid, and President Obama proposes to double foreign aid. A substantial majority of U.S. voters favor spending more on effective programs to reduce hunger, poverty, and disease in developing countries. It’s the right thing to do and the smart thing to do. But we all know that foreign aid could be spent more effectively. If this administration and Congress manage to improve the effectiveness of U.S. assistance, our dollars will do more good for decades to come, and voters will continue to support increases in funding.

In a recent survey, 85 percent of registered voters agreed that we “need to modernize how foreign assistance is currently organized and implemented.” In a poll last November – in the depths of the economic crisis – 87 percent agreed that “in a time like this, we need to make foreign assistance more efficient and get more of our aid to people who really need it.”

I applaud the Obama administration and this Congress for the attention you have already devoted to international development, including foreign assistance reform. When I testified before this Committee in March, you were considering the terrible setback in progress against world hunger that has taken place over the last several years. You passed the Global Food Security Act. In his inaugural address, President Obama promised people in poor countries to “help make your farms flourish,” and the administration – led by Secretary Clinton – has now launched a global food security initiative. The President was able to convince the other G8 nations to work with the United States to help farmers in poor countries increase their production.

The administration’s 2010 budget request puts us on the path to doubling foreign assistance by 2015, including a major investment in global health and increased investment in agriculture. The administration’s budget also proposes to bolster the capacity of USAID and the State Department to carry out their development and diplomatic missions.

Secretary Clinton recently announced that the State Department and USAID are undertaking a quadrennial diplomacy and development review (QDDR). It will provide a short-, medium- and long-term blueprint for our country’s diplomatic and development efforts. This process will articulate a clear statement of foreign policy and development objectives, recommend management and organizational reforms, and propose performance measures. The QDDR process will incorporate perspectives from across the government, from Congress, and from nongovernmental experts.

The House of Representatives has already passed a State Department Reauthorization Bill and a Pakistan bill. Chairman Howard Berman’s stated priority for this Congress is foreign assistance reform, and, as of today, a bipartisan group of 83 members of the House have signed on as cosponsors of the Initiating Foreign Assistance Reform Act, H.R. 2139. Mr. Berman’s staff are already working on a rewrite of the Foreign Assistance Act.

Chairman Kerry, in your foreign policy address at the Brookings Institution in May you articulated the case for strengthening U.S. diplomacy and development assistance. With

regard to foreign assistance reform, you called for clear goals, improved coordination, stronger development expertise and capacity, streamlined laws to untie the hands of aid professionals, and the empowerment of country teams to shape programs based on local needs.

The draft legislation you have now developed with Senators Lugar, Menendez, and Corker is a major step forward. I love the statement of policy. It calls for a reform of USAID and related agencies in order to better serve the U.S. commitment to global development and the reduction of poverty and hunger.

Much of your bill is focused on building the capacity of USAID, which is urgently required. USAID's operational capacity has decayed. It no longer has budgeting or planning authority. It is not currently represented on the National Security Council. The Administrator position is still vacant, partly because several candidates have declined to take charge of such a weak agency.

Under this administration, the State Department has demonstrated a deep commitment to global development and poverty reduction. But it is crucial that some funding be dedicated single-mindedly to development. When we try to achieve defense and diplomatic goals with the same dollars, aid is usually much less effective in reducing poverty. In my mind, that's the basic reason we need a strong development agency, with its own capacity to plan and carry out programs. These programs should be coordinated with other foreign policy purposes, but distinct from them.

Your bill's section on transparency is especially important. President Obama has called for an "elevated, streamlined, and empowered 21st century U.S. development agency" that will be "accountable, flexible, and transparent." The reform of U.S. foreign assistance gives us a chance to create a development agency that will be transparent to all Americans – to encourage public support and involvement in global poverty reduction and to facilitate public-private partnerships. Even more importantly, the transparency section of the bill will help people in developing countries know about U.S. assistance programs. If local people are more aware and involved, our aid programs will be more effective.

My main request is that you introduce this bill as soon as possible. Quite a few organizations have helped their networks across the country understand that foreign assistance reform is important to future gains against hunger, poverty, and disease. These organizations include Bread for the World and many religious groups, InterAction, Oxfam, the ONE Campaign, Save the Children, Women Thrive Worldwide, Mercy Corps, CARE, the U.S. Global Leadership Coalition, World Wildlife Fund, the Centre for Development and Population Activities (CEDPA), the Center for Health and Gender Equity (CHANGE), the International Center for Research on Women, the International Women's Health Coalition, the Global AIDS Alliance, and RESULTS. Our coalition also includes opinion leaders at the Center for Global Development, the Center for American Progress, and Brookings. Thus, tens of thousands of people around the country are now informed and eager for a chance to have their say. Once your bill is introduced, they can ask their senators to cosponsor, thus building broad support for this Committee's work on foreign assistance reform.

As I said at the outset, now is the time for foreign assistance reform, and the main reason is leadership. We have a President and Secretary of State who are committed to reducing hunger and poverty in the world and to making our programs of assistance more effective. Your counterparts in the House have demonstrated their leadership on this issue. And this Committee has demonstrated exceptional ability to work together across the aisle on complex issues that are important to our nation and the world.

May God continue to bless your leadership.