

Modern Legislation: Moving from Policy to Practice

Modernizing The Foreign Assistance Act of 1961

Below is the fourth and final piece in our Modern Legislation blog series from House Foreign Affairs Committee Ranking Member [Howard Berman](#) (D-CA). In his piece, Rep. Berman outlines what's to come in his rewrite of the Foreign Assistance Act of 1961—a discussion draft of which he plans to release in September.

The Modern Legislation series explores [one pillar](#) of MFAN's updated reform agenda, From Policy to Practice and has, so far, included pieces from Former Republican Congressman [Mark Green](#), Director of the Rethinking U.S. Foreign Assistance Initiative at the Center for Global Development [Connie Veillette](#), and consultant with the Hewlett Foundation and USGLC [Larry Nowels](#).

In this tight budget environment, one thing that can unite Democrats and Republicans is a commitment to make our foreign assistance programs more efficient and more effective. We may have differing views on how much aid to provide and to which countries, but we should all agree to deliver aid in a way that reaches the intended beneficiaries and achieves its desired objectives.

To do that, we must comprehensively reform the system by which foreign assistance is designed, budgeted, and delivered. There has already been some progress in this regard with the issuance of the President's Policy Directive on Global Development, the completion of the first Quadrennial Diplomacy and Development Review (QDDR), and the implementation of Administrator Shah's "USAID Forward" reform agenda.

Still, when it comes to foreign aid we are operating under a legislative framework that will turn 50 years old this September. It's an architecture developed during the Cold War to address the problems of the 20th century. Over the years, through piecemeal amendments, it has become a repository of antiquated rules and tortuous procedures. All too often, new laws have been written to circumvent it entirely, exacerbating the problems of fragmentation, duplication, and lack of coordination.

We have all read discouraging accounts of the ways that aid is wasted through graft and corruption, poor project design, and large investments that cannot be sustained. Although foreign assistance accounts for less than 1 percent of our national budget, we must insist that every penny is used wisely. To do that, we need to develop strategic planning processes that set clear goals and measurable indicators of success; work with partner governments and local communities to make sure they have the will and the ability to keep projects going with their own resources; coordinate our activities with those of other

donors and focus on the areas where we have a comparative advantage; and institute robust mechanisms for transparency, monitoring, and evaluation.

My staff and I have been working assiduously on a wholesale rewrite of the Foreign Assistance Act of 1961. In early September, I plan to release it in discussion draft form. This draft is the product of years of research, investigations, briefings, and consultations—with our partners in the field, with the Administration, and with a wide range of experts and organizations involved in development and international relations. And it reflects the input and feedback we have received from the concept paper and three discussion papers we have released since July 2009.

Some people mistakenly equate “foreign assistance” with “development assistance”. Foreign assistance includes development assistance as one key element, but it goes much further. Our discussion draft also makes reforms in the areas of conflict prevention and mitigation, human rights and democracy, security assistance, and trade and investment programs.

What our draft does not do is authorize any money. It doesn’t set any funding targets. It simply ensures that we get the most bang for every buck that we invest in creating a better, safer, and more prosperous world. My bill will pave the way for creating modern and streamlined partnerships that are results-oriented and can quickly and flexibly respond to new challenges and opportunities.

As President Obama explained, “Aid is not an end in itself. The purpose of foreign assistance must be creating the conditions where it is no longer needed.” Changing our foreign assistance system from one that is almost exclusively based on inputs—how much we spend—to one focused on outcomes—how much we achieve—is a vital first step.