



Department of Justice, Peace and Human Development
Office of International Justice and Peace

**Background on Foreign Assistance Reform
February 2009**

Background

The Church views foreign aid as an essential tool to promote human life and dignity, advance solidarity with poorer nations, and enhance security throughout the world. Foreign aid is not simply an optional commitment; it is a moral responsibility to assist “the least of these” (Matthew 25).

The Foreign Assistance Act of 1961 reorganized U.S. foreign assistance programs and established the United States Agency for International Development (USAID). Over the years, the Act has been amended numerous times to add programs, earmarks and initiatives with overlapping objectives and little coordination. Only 25 to 34% of foreign aid goes to the poorest countries in the world. Many programs are designed and carried out with insufficient input from the people who are supposed to benefit from them. Over 20 federal agencies implement programs with almost 50 different objectives, some duplicative and others contradictory.

Over the last two years, calls for comprehensive foreign aid reform have gained momentum among government officials, policy analysts, international development agencies, faith-based groups, international donors and recipient countries. The House of Representatives has held 27 hearings and events to consider the state of foreign assistance and the need for reform and the Senate has held 16. Representative Howard Berman, the Chairman of the House Foreign Affairs Committee has made foreign aid reform his top priority before enacting any new foreign assistance legislation.

During the campaign President Obama promised to double foreign assistance funding by 2012. Despite our fiscal challenges, it is important that the President’s proposed budget make a down payment on this commitment.

USCCB/CRS

The United States Conference of Catholic Bishops has a long history of addressing global poverty and supporting foreign assistance. Three assets give credibility to the Church’s contributions to the debate over foreign aid reform. First, the Church in the United States has broad and deep **experience** reaching out to our brothers and sisters in need throughout the world. Catholic lay movements and religious communities of men and women operate numerous missions, schools, health structures and humanitarian groups across the globe. Catholic Relief Services, the official relief and development agency of our Conference, is active in more than 100 countries. Second, the Catholic Church in our nation also has profound and abiding **relationships** with the Church in many developing countries. In these countries, the Church’s many schools, social service agencies and health facilities serve the needs of the poorest members of the human family. Third, our Church has a rich body of **teaching** that offers principles that can help guide the reform of foreign assistance, including: the life and dignity of the human person; the common good, community participation, good governance and subsidiarity; the option for the poor; and peace and peacebuilding.

Elements of Foreign Aid Reform

USCCB and CRS support the following recommendations for foreign aid reform:

1. Make **human development** the fundamental goal of foreign aid. Focus on **reducing poverty** through balanced interventions (agriculture, health, education and micro-credit) and empowering the **participation** of poor people in development (civil society empowerment, democracy and governance) through **country-specific strategic plans** that respect local conditions and cultures, and involve and strengthen local governments and civil society.
2. Develop a coherent and coordinated national **global development strategy** that provides for both immediate humanitarian relief and long-term development assistance.
3. Promote a **comprehensive approach** by coordinating humanitarian aid, development assistance, trade and agriculture policy, climate change initiatives and other mechanisms to promote global poverty reduction and human development.
4. Gradually **increase foreign aid** to reach the international commitment to allocate 0.7% of national income to global development. Link related priorities (e.g. climate change) in ways that increase resources to poor countries and do not diminish or divide them.
5. Mandate between one-half and two-thirds of foreign aid funding be allocated to the **poorest countries** and communities of the world.
6. Enhance **human security** through development. Provide targeted assistance to **failed or failing states** and those coming out of conflict by building government capacity and legitimacy, including respect for human rights. Strengthen local civil society in close collaboration with U.S. civil society development organizations to support communities where their government has failed them.
7. Give **development** a status and structure that places it alongside diplomacy and defense as the “**third leg**” of U.S. foreign policy. Insure that long-term development goals are not subordinated to short-term security and political concerns.
8. Consolidate, rebuild and expand the **capacity of civilian agencies** involved in long-term development work.
9. Affirm that U.S. humanitarian relief and development assistance should be under the **control, authority, and direction of civilian agencies** (and implementing partners) who have the skills and expertise to plan and implement the most effective and appropriate responses.
10. Design programs with the active and effective input of local government and **civil society** organizations including faith-based groups, local community members, especially women, and the poor and indigenous peoples who stand to benefit from them.
11. Make foreign aid **accountable** to the poor persons served and to Congress and the American people. Promote anti-corruption efforts, transparency and participation.
12. More closely coordinate with other **international donors** and support **multilateral agencies** to reduce program duplication and the burdens on recipient nations.

ACTION REQUESTED: The USCCB and CRS will work with the new Administration and the Congress to promote the reform of U.S. Government foreign assistance and will keep advocates informed through action alerts and updates. You can join this effort by rallying parishes in your diocese to contact your Congressional Representative and Senators to support these policy recommendations.

RESOURCES: Visit these websites: <http://www.usccb.org/sdwp/international/foreignind.shtml> or <http://www.usccb.org/globalpoverty/>. For more information, contact: *Steve Hilbert*, Policy Advisor, USCCB Office of International Justice and Peace, 202-541-3149 or shilbert@usccb.org.