

Deliver More with U.S. Development Cooperation

Aid Matters

As the United States faces an ever-growing number of humanitarian and development challenges around the world, maximizing results from U.S. foreign assistance is more important than ever. At less than 1% of the budget, foreign assistance must be used effectively to have the greatest impact on those in need while advancing U.S. national interests.

National security and military leaders have consistently reaffirmed the importance of funding a strong and effective International Affairs Budget, while advocating for strong civilian capacity to remain a key part of our foreign policy. The U.S. Agency for International Development (USAID), our lead development agency, partners with our soldiers, diplomats, and private sector around the globe, doing the work that needs to be done to empower people, prevent pandemics that threaten national security, stabilize nations and communities, and head off future conflicts.

Foreign assistance helps grow and modernize markets in developing countries – opening up economic and export opportunities for U.S. businesses in the fastest-growing markets in the world. Equally important, foreign assistance is an expression of our most deeply-held values and a manifestation of U.S. global leadership.

And it works. Over the past two decades, extreme poverty has been cut in half even while the global population has increased by two billion people. In 1990, 37% of the world’s population lived on or below \$1.90 a day – by 2012, less than 13% of people did.

Since 1990, 2.6 billion people have gained access to safe sources of drinking water, reaching over 90% of the world’s population. In that same time, the number of children dying of preventable diseases has been cut by more than half.

In the area of global health, polio has been nearly eradicated worldwide, and important U.S. initiatives have stymied the spread of deadly epidemics such as HIV/AIDS, tuberculosis,



and malaria—reducing the burdens of each while saving millions of lives around the world.

Reforms for Results

Since its creation in 2008, the Modernizing Foreign Assistance Network (MFAN) has worked with the last two administrations, Congress, and the development community to advance a reform agenda to make U.S. development assistance work harder for the American people and for people in developing countries.

The past two administrations successfully created a strong bipartisan record on global development by building on their predecessor’s initiatives. The creation of the Millennium Challenge Corporation (MCC), the President’s Emergency Plan for AIDS Relief (PEPFAR), and the President’s Malaria Initiative (PMI) under President Bush represented new, data-driven, and results-based approaches to aid and were sustained and expanded under President Obama. More recent initiatives such as Feed the Future and Power Africa are using aid dollars to leverage private resources, vastly increasing the reach and impact of our assistance.

In that time, we have seen USAID rebuilt into a modern development institution that is represented at the President’s National Security Council, underscoring the

importance of the global development voice and capability in U.S. foreign policy. In fact, USAID has adopted many of the core principles that have made the MCC a pioneer for rigor, results, and learning. Under President Bush, USAID's Development Leadership Initiative helped strengthen the Agency's workforce by adding needed development professionals in the field and in Washington. Under President Obama, USAID implemented a series of reforms called USAID Forward that restored its policy and budget planning capacity; reestablished partnerships with developing countries to target local needs; significantly increased the number of independent, high-quality evaluations to better inform decision-making; and, working closely with the private sector, harnessed science, technology, and innovation to try and solve the world's toughest development challenges.

On Capitol Hill, a total of eight bipartisan pieces of foreign aid legislation were enacted in the 114th Congress alone—including the Foreign Aid Transparency and Accountability Act, which requires aid information to be made public and common evaluation standards to be applied across all U.S. agencies that administer foreign assistance.

Moreover, the bipartisan Congressional Caucus for Effective Foreign Assistance, under the leadership of Representative Ted Yoho (R-FL) and Representative Adam Smith (D-WA), is a leading platform for tackling these issues and further elevating development in the 115th Congress.

Make Aid Go Further

Indeed, foreign assistance is one of the best tools we have for helping people in developing countries build democratic institutions that enable them to take

responsibility for their own destiny, forging their own path to self-reliance and stability. But more can be done to build upon these successes to strengthen our development agencies, like USAID, and increase the impact of U.S. assistance.

- ▶ The new administration and Congress should develop a shared vision and strategy for the U.S. approach to global development, built around sound strategic planning, accountability for results, and evidence-based systems that enable the spending of resources according to needs.
- ▶ As private investment in the developing world continues to grow, our aid can be more catalytic by: 1) helping country partners generate their own revenue on a path to aid independence; 2) bolstering our development finance capabilities to better support U.S. efforts abroad; and 3) working more intentionally with the private sector to understand constraints to economic growth and investment and how to address them.
- ▶ It is also critical that policymakers further recognize and institutionalize the distinctiveness between diplomacy and development so that short-term political goals and long-term development goals are complementary and work together to achieve U.S. objectives.

With these reforms, foreign assistance will yield better results for those we are trying to help, while advancing U.S. national security, foreign policy, and economic interests as well as American values. Building on innovations from the past 15 years, Congress and the administration should work together, in a bipartisan fashion, to further strengthen U.S. foreign assistance and increase our impact around the world.

MFAN is a reform coalition composed of international development and foreign policy practitioners, policy advocates and experts. MFAN was created to build upon the bipartisan consensus that has emerged over the last decade that the U.S. should play a leadership role in achieving economic growth and reducing poverty and suffering around the world, and that we can play this role more effectively, efficiently, and transparently.