

US foreign aid is stymied by Cold War-era regulations

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UNITED States is the world's largest donor nation. Foreign aid comprises about 1 percent of the federal budget, or \$32 billion, money that often gets great returns in promoting political stability, opportunities to trade with foreign countries, and human rights. But the law that governs such aid was passed in 1961, at the height of the Cold War. Although it has been tweaked over the years, it is seriously outdated and in need of a complete overhaul.

For instance, the law still requires the president to pledge to Congress that certain aid recipients are not "controlled by the international Communist conspiracy." The foreign aid infrastructure the law set up decades ago was more focused on defeating the Soviet Union than bringing nations out of poverty. It also allows for earmarks that sometimes do more to promote individual US industries than serve the needs of overseas beneficiaries.

US Representative Howard Berman of California has spent five years planning exactly the kind of wholesale makeover that foreign aid needs. After consulting with countless stakeholders, he has written a 923-page bill to replace the old foreign aid act, which he will unveil today. His bill spells out that countries that receive aid are to be considered active partners in their own development, not passive recipients who are paid to do America's bidding. It also calls for the US government to develop a broad foreign-aid strategy every four years, rather than hand out money in a piecemeal, uncoordinated way.

Berman won't be around to push for the bill's passage. He leaves Congress at the end of this session, after losing a bruising battle for a redistricted seat to another sitting congressman, Brad Sherman, a fellow liberal Democrat. Berman's departure, along with that of another champion for foreign-aid reform, Senator Richard Lugar, an Indiana Republican, will strike a deep blow to efforts to modernize the way that the United States contributes to the development of other countries. Berman's bill has the potential to increase significantly the amount of services provided for each dollar of aid, and to identify programs that clearly aren't working.

Fortunately, there are promising signs that a new set of bipartisan champions will emerge to fill the shoes of Berman and Lugar. Rep. Gerry Connolly, a Democrat from Virginia, is a co-sponsor of Berman's bill and will promote it in the next Congress. Meanwhile, Representatives Ander Crenshaw, a Florida Republican, and Adam Smith, a Washington Democrat, launched the Congressional Caucus on Effective Foreign Assistance. They ought to take up Berman's mantle and finish the work he left undone.