



# PROJECT on Middle East Democracy

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## “Nomination Hearing for USAID Administrator”

Senate Foreign Relations Committee

419 Dirksen Senate Office Building

10:00 AM, December 1, 2009

The Senate Committee on Foreign Relations held a hearing to consider the nomination of **Rajiv Shah** to be Administrator of the United States Agency for International Development (USAID). In his opening remarks, **Chairman John Kerry** (D-Mass.) declared the mission of USAID “near the top of our list of priorities” and highlighted the committee’s efforts to reform foreign assistance through the Foreign Assistance and Revitalization and Accountability Act (S. 1524). Then, **Ranking Member Dick Lugar** (R-Ind.) reiterated the stated goal of **Secretary Clinton** to revitalize USAID into the “premier development agency in the world.” He also highlighted the “modest” bill S.1524 while recognizing the administration is also reviewing foreign assistance through both the State Department and the National Security Council.

During his testimony, Shah described a childhood visit to India that “opened [his] eyes to a type of human suffering I had not previously witnessed and have not since forgotten,” a memory that drives his passion for USAID’s mission today. Shah observed that “we live in a time of tremendous opportunity and challenge” to confront disease, poverty, corruption and conflict. To address these issues, Shah affirmed “restoring USAID’s effectiveness will be [his] top priority.” Towards that end, USAID should foster partnerships with recipient nations, build local capacity, narrow strategic focus to key areas, coordinate programs with all governmental and non-governmental stakeholders, seek multilateral approaches, and develop a longer-term approach. Furthermore, USAID needs to cultivate development as a discipline that requires internal expertise, effective impact analysis and its own budget prerogative.

Many of the Senators asked specific questions about the future of USAID, such as who will control its budget, who the administrator should report to, and whether it should remain under the State Department. While Shah asserted USAID must maintain its own budget and he will report directly to Sec. Clinton, he deferred questions of overriding reform to the QDDR process hosted by the State Department. When prodded further by Sen. Lugar about how USAID can reform during the lengthy QDDR review, Shah explained he will institute more effective impact evaluations, cultivate leadership, increase strategic planning, and foster greater transparency within the agency.

**Senator Russ Feingold** (D-Wisc.) emphasized the importance of increasing American civilian awareness and involvement in foreign assistance, using foreign assistance to resolve conflicts, and fighting corruption in countries like Ghana. In response, Shah reported that USAID has sponsored 4,000 election monitors in Ghana, along with providing other support that has led to “real gains.” **Senator Johnny Isakson** (R-Ga.) highlighted the importance of education, to which Shah identified female education as an especially important priority.

**Senator Benjamin Cardin** (D-Md) observed that 11 Senators attended the hearing, which reveals how highly the committee values the position of USAID Administrator. Sen. Cardin also emphasized the importance of gender integration as a goal of foreign assistance, to which Shah responded that gender integration is often the difference between success and failure in any given development program.

In response to the question of **Senator Bob Casey** (D-Penn.) over whether USAID has the capacity to complete a civilian surge in Afghanistan and Pakistan, Shah affirmed that USAID will constitute a third of the projected civilian effort. **Senator Edward Kaufman** (D-Del.) and Sen. Lugar both questioned how Shah planned to deal with corruption and poor governance, especially in Afghanistan and Lebanon. Shah responded that he will tolerate no corruption whatsoever and will develop a strong evaluation system for monitoring finances and outcomes. When Sen. Lugar asked whether such measures would cause resentment, as they have recently in Pakistan, Shah affirmed that, in the long run, they will increase political support, increase donors, and cultivate an invaluable culture of outcome-driven assistance.

Sen. Kerry concluded the hearing, announcing Shah will be confirmed as soon as possible.