

February 26, 2008

Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

Dear Senator McConnell,

I am requesting that I be consulted before the Senate enters into any unanimous consent agreements regarding S. 2433, the Global Poverty Act. I reserve the right to object to any future unanimous consent agreements or rule waivers regarding this bill.

I have a number of concerns with this legislation.

First, the Global Poverty Act would make the United Nation's development policy, the Millennium Development Goal, official U.S. policy. The Millennium Development Goal is based on the false premise that foreign aid buys economic growth. There is no credible evidence that links increased foreign aid to economic growth, however there is a growing body of literature suggesting just the opposite.¹ Poverty decreases with the increase in economic freedom, free trade, the protection of property rights, elimination of corruption and predictably enforced rule of law. A better model for development is the U.S. Millennium Challenge Corporation, which is based on the policy that aid is most effective when it reinforces these common-sense principles of economic growth.

The Global Poverty Act, by endorsing the U.N.'s Millennium Development Goal, would put the U.S. on record endorsing a commit to spend no less than 0.7% of gross national product (GNP)² on foreign assistance. For 2008, the U.S. would have to quadruple its foreign assistance spending from \$23 billion to \$98 billion in order to

¹ William Easterly, "Reliving the 50s: The Big Push, Poverty Traps, and Takeoffs in Economic Development," Northwestern University, Kellogg School of Management seminar, June 1, 2005 and Raghuram G. Rajan and Arvind Subramanian, "Aid and Growth: What Does the Cross-Country Evidence Really Show?" National Bureau of Economic Research Working Paper No. 11513, abstract, July 2005.

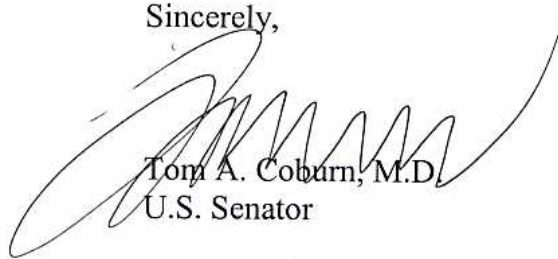
² See paragraph 42 of the 2002 U.N. Monterrey Consensus of the International Conference on Financing for Development (http://www.un.org/esa/sustdev/documents/Monterrey_Consensus.htm) and paragraph 49 of the 2007 U.N. 2007 Follow-up to and implementation of the Monterrey Consensus of the International Conference on Financing for Development (<http://daccessdds.un.org/doc/UNDOC/GEN/N07/450/17/PDF/N0745017.pdf>)

comply. Like most Americans, I believe the U.S. is already spending too much money on foreign assistance that produces too little in the way of measurable results.

Even more pernicious is the implication in S.2433 that the U.S. should follow the U.N.'s lead when establishing international development policy. As reported by the Senate Permanent Subcommittee on Investigations, the leading U.N. development agency, the U.N. Development Program (UNDP), lacks basic administrative and fiscal controls. This has resulted in development funds being illicitly diverted or lost to corruption. For example, the Subcommittee found that the UNDP transferred development funds directly to the North Korean entity that finances the regime's illicit weapons programs. Instead of encouraging economic freedom and cleaning up corruption, the U.N.'s development policies many times enrich terrorist states and other dangerous regimes. The U.N. should apologize for its betrayal of the world's poor, but instead, the U.N. spends its energies on further "shaking down" the one member state that has done more to lift millions out of poverty than any other nation in the history of nations.

Thank you for protecting my rights on this legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom A. Coburn", with a long, sweeping flourish extending to the right.

Tom A. Coburn, M.D.
U.S. Senator