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2157 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6143

Majority (202) 225-5051
Minority (202) 225-5074

Statement of Rep. Brian Bilbray
Ranking Republican Member
Subcommittee on Government Management,
Organization, and Procurement

*“United States Agency for International Development (USAID):
Management Challenges and Strategic Objectives”*

April 28, 2009

Thank you, Chairwoman Watson, for holding this hearing today.

The United States Agency for International Development (USAID) is charged with directing and facilitating our Nation’s development efforts around the world. It is the face of our global humanitarian efforts. USAID’s mission is epitomized by the proverb “give a man a fish, feed him for a day, teach a man to fish, feed him for a lifetime.” Our Nation must teach countries to stand on their own two feet, rather than providing band-aid type relief for societal ills. While helping inoculate children, we need to be building a ministry of health to continue the inoculation program in the future.

Today we will hear about a broad range of USAID related matters including: strategic agency goals, acquisition issues, managerial and workforce issues, and coordination of assistance flowing out of the U.S. Because of the panel we have before us and the direction the Administration is moving, I would like to focus on the acquisition prong.

The model for delivering foreign assistance has changed in recent years. USAID uses acquisition and assistance instruments (A&A instruments) which includes contracts, grants, and cooperative agreements to deliver what is needed around the world. According to the Government Accountability Office, between fiscal years 2002 and 2007, the A&A instruments have increased from approximately 6,000 to approximately 10,000. The monetary obligation represented by these instruments has doubled, from

approximately \$5 billion in 2002 to approximately \$10 billion in 2007. My concern is that while spending has dramatically increased government-wide, the acquisition workforce to oversee these contracts has remained the same. According to the report, USAID is hampered by insufficient data on the number of acquisition staff it employs around the globe.

I want to emphasize the need for the Administration to foster an environment to train and retain acquisition professionals. The GAO notes in their report, that an experienced workforce can more efficiently tackle a heavy workload. Additionally, an experienced acquisition workforce can root out fraud and corruption. These professionals know the red flags for violations of the False Claims Act and the Foreign Corrupt Practices Act and other prosecutorial tools.

USAID Foreign Service officers should be examples of hard-working, ethical stewards of the taxpayers' dollars. If they are anything less, then we send the message to other nations that a society built on the rule of law does not in fact work—bribery and corruption is the better model. We must hold our people accountable before we can hold other nations accountable for misspent dollars. This Committee is about stopping waste, fraud, and abuse. I was pleased to learn the USAID Inspector General's Annual Plan for Fiscal Year 2009 similarly lists combating waste, fraud, and abuse in our foreign assistance programs as one of their major goals. Perhaps down the road, we can invite USAID's Inspector General to meet with us and testify before us about his efforts to combat waste, fraud, and abuse.

Testifying today are several Bush Administration experts on USAID. I look forward to hearing what managerial strategies our witnesses think worked and what strategies they think, in hindsight, did not work for the agency. I would appreciate it, if they bear in mind my concerns regarding acquisition related topics especially in light of the President's March 4th Memo directing the Office of Management and Budget to retool the way the Administration conducts government contracting.

Chairwoman Watson, thank you again for holding this educational hearing on USAID. It is a good first step. I look forward to subsequent hearings once the agency has a confirmed Administrator.