

New US post created to direct foreign assistance Move to streamline overseas aid efforts

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By Farah Stockman, Globe Staff | January 20, 2006

WASHINGTON -- Secretary of State Condoleezza Rice announced a major overhaul of the US foreign-aid bureaucracy yesterday, creating a new post of director of foreign assistance, which will pull together under one chief about \$19 billion worth of scattered assistance programs at the State Department and the US Agency for International Development.

Rice said Randall Tobias, a former corporate leader who heads the Bush administration's global AIDS effort, will be nominated to fill the post. Tobias will serve concurrently as head of USAID, a federal agency created in 1961 to deliver assistance overseas .

"The current structure of America's foreign assistance risks incoherent policies and ineffective programs and perhaps even wasted resources," Rice said in a brief ceremony introducing Tobias. "We can do better and we must do better."

The move, meant to streamline aid and get rid of redundancies, is part of a larger effort by Rice to create a new diplomatic corps that can more effectively promote democracy around the world, a goal she has said is central to winning the war on terrorism.

A key part of the strategy is to ensure that USAID's development workers -- who have long seen themselves as independent from the State Department -- coordinate more closely with US soldiers and diplomats, senior State Department officials said yesterday during a briefing for reporters.

But the move sparked concern from aid specialists and USAID employees that development work would now become driven by political and military concerns.

"This increases the risk that the funding decisions will be determined by political and strategic criteria, at the expense of development and poverty alleviation," said Steven Radelet of the Center for Global Development, a Washington-based think tank that works to reduce global poverty.

The nomination of Tobias, former head of pharmaceutical giant Eli Lilly & Co., and a major Republican campaign contributor, also drew fire from critics who say he has taken an ideological approach to AIDS assistance by supporting abstinence-only programs and avoiding the use of cheap, generic drugs to fight AIDS in poor countries.

"Under his direction, HIV prevention programs have shifted from being based in public health science to being dictated by the abstinence-only-until-marriage ideology of the Bush administration," said James Wagoner, president of Advocates for Youth, a Washington-based group that seeks to provide

information on sexual health to teenagers, in a statement released to the media.

In 2000, Tobias contributed more than \$14,000 to Republican campaigns, including President Bush's, according to PoliticalMoneyLine, an online database of contributors.

State Department officials said Tobias would address those concerns in his confirmation hearings before Congress.

If confirmed, Tobias will be responsible for overseeing aid programs ranging from the Middle East Partnership Initiative to programs that fight hunger and human trafficking.

State Department officials said Tobias will keep two offices, one near Rice's on the seventh floor of the State Department, and one at USAID. Tobias takes over a post left vacant by Andrew S. Natsios, who recently resigned as head of USAID for a teaching post at Georgetown.

Rice's announcement yesterday brought both relief and frustration at USAID, where employees have long feared that Rice might absorb the agency completely.

Yesterday afternoon Rice addressed a packed audience of USAID employees in a town-meeting style forum. USAID's acting administrator, Frederick W. Schieck, introduced Rice by thanking her for laying to rest the persistent "rumor that we are going to disappear as an agency. "

But worried USAID officials peppered Rice with questions about how the new system will work. They burst into applause when one of their colleagues asked Rice whether national security would now determine the direction of US antipoverty efforts, asserting that the lion's share of the US development budget is being spent in Afghanistan and Iraq.

"Yes, we're spending a lot on Afghanistan and Iraq," Rice said. "We've got to get them right because our security depends on it."

Rice went on to say that she is committed to intensifying US development efforts around the world.

One USAID official in the audience said his colleagues wanted to "revolt" against the new plan because bureaucracies are naturally resistant to change and because many are reluctant to work more closely with military officials or politically motivated diplomats.

But the official, who asked that his name be withheld because he is not authorized to speak to the media, defended Rice's change in strategy. He said the days when aid workers could set their own agenda, without concern for national security priorities, are over.

"That's a peacetime luxury," he said. "We're a country at war." ■

