

**ACCOUNTABLE ASSISTANCE:  
REVIEWING CONTROLS TO PREVENT  
MISMANAGEMENT OF FOREIGN AID**

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**HEARING**

BEFORE THE  
SUBCOMMITTEE ON NATIONAL SECURITY,  
THE BORDER, AND FOREIGN AFFAIRS  
OF THE  
COMMITTEE ON OVERSIGHT  
AND ACCOUNTABILITY  
U.S. HOUSE OF REPRESENTATIVES  
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- \* Article, *Center for Immigration Studies*, “Biden Admin. Sends Millions to Nonprofits for Illegal Migration”; submitted by Rep. Biggs.
- \* Article, *Heritage*, “Foreign Aid Can’t Stem Illegal Immigration”; submitted by Rep. Biggs.
- \* Article, *NewsNation*, “NGOs Use US Tax Dollars to Relocate Migrants”; submitted by Rep. Biggs.
- \* Dataset, Ukraine Oversight Dashboard; submitted by Rep. Garcia.
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- \* Report, Guttmacher Institute, “Unprecedented Expansion Global Gag Rule”; submitted by Rep. Porter.
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- \* Article, “UN Grantee Uses Tax Dollars for Illegal Immigration”; submitted by Rep. Sessions.
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*Documents are available at: docs.house.gov.*



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**Thursday, March 21, 2024**

U.S. HOUSE OF REPRESENTATIVES  
COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY  
SUBCOMMITTEE ON NATIONAL SECURITY, THE BORDER, AND FOREIGN  
AFFAIRS

*Washington, D.C.*

The Subcommittee met, pursuant to notice, at 2:50 p.m., in room 2154, Rayburn House Office Building, Hon. Glenn Grothman [Chairman of the Subcommittee] presiding.

Present: Grothman, Sessions, Biggs, LaTurner, Fallon, Perry, Garcia, Lynch, and Porter.

Mr. GROTHMAN. The Subcommittee on National Security, the Border, and Foreign Affairs will come to order. Everyone, welcome.

Without objection, the Chair may declare a recess at any time.

I am going to recognize myself for the purpose of making an opening statement.

Good afternoon. I want to welcome everyone to the hearing before the Subcommittee on National Security, the Border, and Foreign Affairs. Today's hearing is an examination of concerns of waste, fraud, and abuse, and mismanagement of America's foreign aid, something that people back home love to hear about. I would like to take a moment to thank our witnesses for being here today. It is my hope we can have a productive dialog on the mechanisms needed to oversee how American taxpayer dollars are being spent on foreign aid. The World Bank, even the World Bank, estimates that 20 percent of foreign aid is lost to corruption each year and that 30 percent of foreign aid fails to reach its intended target.

The Committee has a long history of conducting oversight on how few guardrails are in place when it comes to vetting contractors and grantees, leaving foreign assistance vulnerable to exploitation and undermining U.S. strategic goals. Today, we will examine whether, and if so, how the U.S. Government ensures that taxpayer-funded foreign aid achieves its objectives while safeguarding those dollars from being diverted to unintended or unlawful purposes. We will examine how USAID and Department of State monitor and evaluate their programs to make sure they are meeting their intended goals.

Recently, the USAID Inspector General has cautioned that foreign aid going to Gaza and the West Bank is at an extremely high risk of waste, fraud, and abuse. In 2022 and 2023, the United States donated over \$700 million to the United Nations Relief and Works Agency, an organization created and intended to provide humanitarian relief for the Palestinians. What did we find out? We now know the Hamas compound was located under an UNRWA building in Gaza City. Further evidence surfaced that some UNRWA employees participated in the devastating October 7 Hamas attack against Israel on Israeli soil.

Unfortunately, the Biden Administration has been sending taxpayer dollars to UNRWA since 2021, despite concerns that funds were being diverted to support terrorist activities. That is why the previous Administration had held funds from UNRWA. The Biden Administration unwisely reversed this decision, and taxpayer dollars were released to UNRWA without adequate guardrails to ensure the funds went for humanitarian relief rather than Hamas terrorists, and were only paused again after reports about UNRWA's support for terrorist activities surfaced a few weeks ago. That is why I led a request with Committee Chairman Comer and other Republican Members of this Committee to Secretary Blinken requesting documents and information about the Biden Administration's 2021 decision to restore funding to UNRWA. Understanding this decision will hopefully help us better understand if, and if so, how the Administration tracks foreign assistance in other places around the world.

The Committee's oversight of foreign assistance is critically important not only to ensure taxpayer dollars are being well spent, but also to know whether the Federal Government is providing foreign assistance from falling into the hands of terrorists or other malicious actors. A recent poll by the Associated Press found that 4 in 10 U.S. adults said foreign policy should be a top priority for the U.S. Government. That is twice as many who mentioned the topic on the same survey conducted in 2022. This poll shows the increased anxiety the American public feels when it comes to how the U.S. conducts itself on the world stage. Unfortunately, this Administration made another reckless decision. During his recent State of the Union speech, President Biden announced plans for the U.S. military to build a temporary port to deliver more humanitarian assistance to Gaza. The President has decided to maroon approximately a thousand American uniformed men and women off the coast of Gaza to build, using taxpayers' dollars again, a supposed humanitarian aid port without providing assurances that Hamas will not attack our troops or those receiving the aid, or that Hamas will not divert that aid for its own evil purposes.

Foreign aid to Gaza is not the only area of foreign assistance that requires scrutiny here today. The U.S. heavily relies on direct budget assistance to foreign governments. It is vital that Congress and the Administration establish robust oversight mechanisms to prevent corruption and diversion of these funds. It always kind of amazes me these countries always say they need funds, but they seem to disappear. Any assistance to Ukraine must also be conditioned on the principle that they will allow full transparency, commit to tracking weapons and equipment, and open their books to

the U.S. Government. Additionally, most of the money going to the Ukraine flows to the World Bank or other public international organizations. We owe it to the American people to demand greater accountability and transparency for multilateral organizations to ensure their operations align with our national interests and values.

Last, we cannot ignore the allegations of political abuse surrounding the Biden Administration's use of foreign aid. The politicization of aid distribution, including the imposition of conditions based on ideological agendas, including DEI goals and left-wing climate policies, threatens to undermine the credibility and effectiveness of our foreign assistance. Oversight of foreign assistance is not merely a matter of fiscal responsibility, but a reflection of strategic goals. Today's hearing represents an opportunity to identify shortcomings, proposed reforms, and ensure that USAID serves as a force of good in the world. I look forward to the insights and recommendations that will emerge from today's discussion and our esteemed witness panel.

I would now like to recognize the Ranking Member for the purpose of making an opening statement.

Mr. GARCIA. Thank you, Mr. Chairman. We obviously know that oversight of our Federal budget is very important, and it is certainly important that part of that oversight is foreign aid. Foreign aid, we know, is about 1 percent of the Federal budget, comparable to defense spending, which we know is about 12 percent of the budget. That 1 percent makes an incredible impact across the world, certainly not just, obviously, in some of the conflict zones where foreign aid oftentimes is really critical, but also in building our relationships with our allies, but also strengthening our position across the globe.

We know that as we speak, foreign aid is also critical in some of our conflict zones, and unfortunately, my friends in the majority right now are currently blocking about \$60 billion of support to Ukraine in our fight against Russia. This is aid that is absolutely crucial to help the Ukrainian people defend themselves. Ukrainians are fighting for their freedom and democracy against Vladimir Putin, a world criminal who has attacked America's democracy as well. And here are some facts. Our government has more than 400 people working to oversee foreign aid. The inspectors general from the Defense Department, State Department, the U.S. Agency for International Development all work with 20 other Federal agencies and the Ukrainian Government. There is deep oversight with how we spend our support and our tax dollars from here at home.

I also want to make sure that I ask for unanimous consent to enter into the record this list of more than 145 completed ongoing and planned oversight reports and investigations from the Special Inspector General for Operation Atlantic Resolve.

Mr. GROTHMAN. Without objection.

Mr. GARCIA. Thank you.

The Ukrainians themselves are fighting for their existence. They want and need our aid to make the biggest possible impact as well. Now, Transparency International's 2023 report on international corruption reported that Ukraine has made significant progress, taken on corruption even during the challenges of war. Now, war-

time Ukraine climbed 12 places in the 2023 edition of this annual survey. Now, the report found that “Ukraine’s growth by 3 points is one of the best results over the past year in the entire world.” Now, we know there are challenges, and certainly a lot of folks like to point out where there are areas that we can improve, and conducting oversight in a war zone is hard when we cannot access, of course, the front line, but this foreign aid is critical, especially at this moment.

Now, at the outset of the conflict, U.S. personnel in Ukraine had to be evacuated. We all know this. Over the course of the next 6 months, U.S. agencies worked diligently to establish logistic hubs in partner nations to oversee the transfer of aid and equipment. It is important to note that up until this conflict, end use monitoring of defense articles had only been executed in a peacetime environment, which meant the U.S. Government could conduct site visits and have greater access. Now, our agencies conducting oversight of aid to Ukraine had to develop entirely new procedures for conducting this work in a hostile environment.

Now, my friends in the Majority like to, of course, also talk about issues around the border, and we, of course, have not had a single hearing on push factors that drive people to migrate. But we know that foreign aid and additional foreign aid would also have a huge impact on what is happening along the border, and certainly to help the people of Mexico, Central America, and South America. We should have a hearing that examines the root causes of our global problems and work to remediate those. Now, our humanitarian aid fights displacement by addressing these root causes. Poverty and climate change, we know, are also huge factors, and when we look at migration that is happening, for example, in Guatemala or Honduras, there are huge challenges that could also be addressed with support from the United States and the world as it relates to humanitarian aid.

The humanitarian crisis in Venezuela has been an enormous driver of folks coming to the border. We used to have thousands of folks from Venezuela come to the border, and now we have had, in some years, hundreds of thousands of folks from Venezuela coming to the border. We know that in countries where criminal gangs may control the police or the government, our U.S. assistance is vital to also fight corruption and insecurity.

In Guatemala, for instance, we funded a U.N. commission of independent prosecutors that helped prosecute, take on military death squads, take on rogue police officers, drug cartels, and even two presidents. That commission helped cut homicides, by the way, by 32 percent, dismantle 60 criminal networks, and catalyze the indictment of 680 bad actors across the country. President Biden has fought to strengthen that commission even when he was vice president. So, there is a lot of work that we can do around human aid.

I want to ask also for unanimous consent to introduce this report from the Washington office of Latin America called, “When the Dominos Fall, Cooption of the Justice System in Guatemala,” into the record.

Mr. GROTHMAN. Without objection.

Mr. GARCIA. Thank you.



So, just like in Ukraine, there are attacks by some on foreign aid that has harmed innocent people, weakened American values, and harmed our national interests. Foreign aid is critical in our success as a country and in our national security interests as well. And with that, I yield back, Mr. Chairman.

Mr. GROTHMAN. I am pleased to introduce our witnesses today. First of all, going across here, Jim Richardson, Executive Director to former Secretary of State Mike Pompeo and Chairman of the Pompeo Foundation. Previously he was the Director of the Office of Foreign Assistance at the Department of State and has decades in private and government service. Next, Max Primorac, a Senior Research Fellow at the Heritage Foundation's Margaret Thatcher Center for Freedom. Previously, he was the acting Chief Operating Officer at USAID during the Trump Administration. And finally, Charles Kenny, Senior Fellow at the Center for Global Development, previously worked for the World Bank, focusing on anticorruption relating to infrastructure and natural resources. Again, I want to thank all three of you for being here today.

Pursuant to Committee Rule 9(g), the witnesses will please stand and raise their right hand.

Do you solemnly swear or affirm that the testimony that you are about to give is the truth, the whole truth, and nothing but the truth, so help you God?

[A chorus of ayes.]

Mr. GROTHMAN. Good. We keep the record going. Let the record show that the witnesses answered in the affirmative. Thank you. You may take a seat. We appreciate you being here and look forward to your testimony.

Let me remind the witnesses that we have read your written statement, and it will appear in full in the hearing record. So, if you can, try to limit your opening statement to about 5 minutes. As a reminder, please push the button on the microphone in front of you so that is on, and the Members can hear you. When you begin to speak, the light in front of you will turn green. After 4 minutes, the light will turn yellow. When the red light comes on, your 5 minutes are up, and wrap up as quickly as you can.

I will now recognize Mr. Richardson for your opening statement.

**STATEMENT OF JIM RICHARDSON  
FORMER DIRECTOR, OFFICE OF FOREIGN ASSISTANCE  
U.S. DEPARTMENT OF STATE**

Mr. RICHARDSON. Great. Thank you, Mr. Chairman, Mr. Ranking Member, Members of the Committee. I appreciate the opportunity to discuss how we can improve U.S. foreign assistance. As the Chairman said, my name is Jim Richardson, and it is a great honor to be back here in the House, having spent much of my career in Rayburn before heading to the executive branch during the Trump Administration.

My first stop was to reorganize the U.S. Agency for International Development, undertaking one of the largest reorganizations of the agency in history. We moved to a more data-informed and goal-oriented approach and worked to realign our structures, people, and systems to match. After USAID, I was the Director of the Office of Foreign Assistance at the State Department. There, I coordinated

assistance across USAID and state on behalf of the Secretary. Needless to say, I have encountered lots of obstacles and a lot of potential in our foreign aid. As we discuss how to improve it, I want to impress three things: one, strategic alignment; two, a renewed focus on effectiveness; and No. 3, a careful selection of our partners and instruments to maximize the impact of our assistance and ensure that it does not fall into the wrong hands.

First and foremost, we must see our foreign aid as a tool of our national security efforts and ensure complete alignment. We are seeing foreign aid be used to advance narrow political ideologies, as the Chairman mentioned. This is both wasteful and dangerous. Our Nation is facing real challenges, from China to drug cartels to terrorism to mass migration on our Southern border. With limited resources, it is imperative that we carefully choose where and how to employ our foreign assistance to achieve our national security goals.

Second, we have to demand maximum impact from our foreign assistance programs. Progress must be measured against specific, meaningful benchmarks that drive toward concrete outcomes. Whether facilitating self-reliance, promoting bilateral trade, or advancing strategic goals, our assistance must produce measurable results that actually matter to the American people. We must constantly reevaluate existing programs, stop ineffective ones, and embrace innovative ideas that suit the unique circumstances of each situation. This includes shifting toward more conditional assistance, partnerships, loans and investments, and away from more traditional approaches that have often proven ineffective. Take Ukraine, for instance, a topic of conversation already here today. Here, economic development is robust, and so instead of providing economic assistance grants, we should transition to more of a loan-based assistance. Loans can foster economic self-reliance and encourage responsible fiscal management.

Finally, I want to touch on how we engage with those who implement our assistance. As you know, the United States utilizes a wide variety of nonprofits, for-profits, and international organizations to implement its programs. First, we need to reduce our reliance on public international organizations—PIOs—specifically, the U.N. family. Working directly through the PIOs is inherently less transparent and less accountable. Instead, we should select partners who can best accomplish the task with maximum control and accountability. This is often a local partner, which has an added benefit of building the capacity of the host country. Once identified, rigorous vetting processes are essential to ensure the suitability and integrity of our partners. We must ensure that all partners, including PIOs, are subject to the same vetting standards.

Given what happened in Gaza, as the Chairman mentioned, it is essential that we vet our PIOs. If we have to use them, they have to be vetted, and that includes the NGOs that work with them that the PIOs actually fund. Furthermore, we must vet partners beyond just ties to terrorism, which is our current standard. While terrorism remains a paramount concern, we want to make sure that American taxpayers do not remain at the hands of a wide range of bad actors, including drug traffickers and wildlife poachers.

Foreign assistance is an incredibly complex topic, so I appreciate your willingness to hold this hearing, and I look forward to your questions.

Mr. GROTHMAN. OK. Thank you very much. Now, I would like to recognize Mr. Primorac for your opening statement.

**STATEMENT OF MAX PRIMORAC  
SENIOR RESEARCH FELLOW  
MARGARET THATCHER CENTER FOR FREEDOM  
THE HERITAGE FOUNDATION**

Mr. PRIMORAC. Thank you, Mr. Chairman, Mr. Ranking Member, and distinguished Members of the Subcommittee, to speak about America's foreign aid apparatus. Again, my name is Max Primorac. I work at the Heritage Foundation. The views I express here, testimony, are my own and should not be construed as representing any official position of the Heritage Foundation.

Mr. Chairman, I have spent over 30 years in the foreign aid sphere as an NGO practitioner in the Balkans, as USAID contractor in Afghanistan, think tank expert, and also as a senior official at the U.S. Agency for International Development as well as U.S. Department of State. I served as an envoy of the Vice President to carry out his counter genocide programs in Iraq. It is, however, with great sadness that I must describe our foreign aid apparatus as broken and even corrupt.

Foreign aid is a tool of foreign policy. As Jim has mentioned, its purpose is to promote the national interest of the United States. In the past, foreign aid helped curb the spread of communism. After the fall of communism, it helped integrate Central and Eastern Europe into NATO and become strong allies. Millions of lives have been saved by our global disaster responses, but the foreign aid budget has become too big. Our Federal agencies cannot fulfill their management and oversight functions. The result is substantial waste, fraud, and abuse. A well-financed and politicized aid industrial complex lobbies Congress for higher foreign aid budgets and against reforms to hold them accountable. Worse, foreign aid is misused to export radical ideas that offend many Americans, erode our talent base in our aid work force, and trample on the religious beliefs in countries where we provide aid. This benefits communist China.

So, what reforms are needed to restore the critical global role that U.S. foreign aid once played in advancing America's national interest? First, Congress must make deep cuts in the international affairs budget to a level our Federal agencies can reasonably manage. When I launched the new Bureau for Humanitarian Assistance and its \$8 billion portfolio, I was impressed by the response capabilities of our work force but deeply troubled at the inability to track where this aid was going. Mr. Chairman, as you have mentioned, American taxpayers now know that millions of dollars of USAID to Gaza was diverted to Hamas to finance a terror network that led to the October 7 massacres of over 1,000 Israeli citizens. Through aid diversion, we are also financing terrorists in Yemen, Syria, and Afghanistan. Years of humanitarian aid have destroyed the ability of countries to feed themselves. While on special assignment to Haiti, I asked local entrepreneurs why their farmers could

not feed their country. Their dry response was that it is hard to compete against free food.

Second, defunding the climate agenda will reduce global poverty and hunger. Foreign aid policy discourages countries, especially poor countries, from developing their fossil fuel industries to secure cheap energy, generate revenues to finance their own social services, and reduce the cost of food. Instead, we are forcing these countries to rely on communist China to meet their wind and solar equipment needs. Third, we need more transparency and accountability. Congress must require that all aid awards and sub-awards be made public. A recent government audit found that USAID did not know the overhead charges of almost \$142 billion in awards. Procurement fraud by international organizations has become endemic. Instead, we should increase funding to church-based local NGOs rather than expensive U.N. agencies and for-profit contractors.

Fourth, we must de-radicalize our aid programs. We must stop pushing DEI, abortion, and other gender policies overseas, norms that contradict those in Africa, Latin America, and Asia. Last, we must refocus our foreign aid approach toward partnership with America's private sector to increase trade and investment with the global south. To do this, we must amend the BUILD Act to strengthen the U.S. International Development Corporation as a counter-China tool and expand the role of the Millennium Challenge Corporation, which rewards economic reformers.

To conclude, the objective of foreign aid must be to end the need for it. Thank you, and I look forward to your questions.

Mr. GROTHMAN. Thank you. Now, Mr. Kenny, your opening statement.

**STATEMENT OF CHARLES KENNY  
SENIOR FELLOW  
CENTER FOR GLOBAL DEVELOPMENT**

Mr. KENNY. Chairman Grothman, Ranking Member Garcia, Members of the Subcommittee, thanks very much for inviting me today. I am a Senior Fellow at the Center for Global Development, but I am speaking very much on my own behalf today. I have spent a number of years researching corruption in foreign aid and aid effectiveness more generally, and in previous work for the World Bank, I managed aid programs, including some in fragile states.

I want to make two points. First, corruption and financial mismanagement is a real problem globally, with negative implications for both development and foreign assistance, but it does not stop that assistance having a major impact. Second, reducing upstream bureaucracy and focusing on impact through transparency and tracking results is the best way to deliver more effective aid.

Every year, the global total of bribe payments may be as high as 2 percent of GDP. Beyond corruption, considerable government finance is wasted on projects that do not deliver what they promised due to factors ranging from incompetence to fraud. And U.S. Government spending, including U.S. foreign assistance, is not immune from those problems. That said, U.S. civilian aid is some of the most closely monitored of all government spending, and that moni-

toring suggests that while malfeasance does occur, it is comparatively rare on average. Let me provide some examples.

Between 2012 and 2020, SIGAR, the Special Inspector General for Afghan Reconstruction, issued 176 audit reports covering \$8.5 billion in costs for Afghanistan reconstruction, and only about 0.4 percent of the audited costs were eventually disallowed. Again, the Ukraine Special Inspector General report of February this year noted that USAID carried out spot checks that trace expenditures reported by the Ukrainian Government to verify that direct budget support was received by intended beneficiaries. Of 475 spot checks, all were carried out without any major issues identified.

Of course, special inspectors general and integrity departments do not and never will be able to audit every penny to the last recipient. Whatever the level of control, we will never be able to ensure zero waste or fraud, but what we can say is that leakage rates are usually low, and, again, we can say it with more confidence about civilian foreign assistance flows than we can about a lot of other government finance.

But take Afghanistan again. When assistance failed, and surely a lot of assistance failed in Afghanistan, not least, for example, when it came to helping the Afghan National Army become an effective fighting force, it was because of problems that do not appear in financial audit reports. Conversely, a lot of aid with somewhat inadequate paperwork managed to have a very meaningful and positive impact. For example, starting in 2002, USAID supported the Afghan Ministry of Health, delivering a basic package of healthcare services to 90 percent of the country at a cost of about \$4.50 per person per year. USAID focused on results and used independent evaluations to ensure that the vaccinations happened and that services were provided.

The results speak for themselves. The proportion of kids who died before their 5th birthday in Afghanistan fell from about 13 percent in 2001 to about 6 percent in 2020. That declining mortality rate is saving more kids each year in Afghanistan than the total number born in Nebraska, Nevada, and Kansas combined, and U.S. assistance can take a big part of the credit. It is these results that matter, that aid is saving lives and promoting economic growth. Getting these results is why we provide the assistance in the first place, and an excess focus on monitoring receipts and processes can get in the way of achieving that.

Back in 2010, Andrew Natsios, USAID Administrator under President George W. Bush, complained of the counter bureaucracy of excessive process and control mechanisms fighting against aid effectiveness. Natsios suggested a third or more of USAID staff were hired purely to deal with compliance issues, and he asked, are we creating a system where every taxpayer dollar is accounted for, that it is incapable of carrying out its national security tasks? I think that question is even more urgent today.

Congress has put in place some of the underpinnings for a results-based accountability agenda, including the Foreign Aid Transparency and Accountability Act, but I would urge you to go further. Rather than an accountability model excessively based on processes and receipts, we should rebalance. We should be doing more to survey beneficiaries. We should do more to physically audit infrastruc-

ture financed under all aid projects. Where possible, rather than paying for potential outcomes, we should be basing payments on achieved results. Combined with transparency and project delivery targets that allow beneficiaries themselves to act as monitors, these approaches can ensure impact. Thank you very much.

Mr. GROTHMAN. Thank you. I will now recognize myself for 5 minutes. First of all, we will start with Mr. Primorac.

In the report you authored released in May 2022, called, “Congress Must Stop Biden’s Misuse of U.S. Foreign Aid to Impose His Radical Social Agenda,” and by the way, part of the fault has to come from Congress, who wanted him to do that, U.S. foreign aid has become an appendage of one political party seeking to advance its radical global agenda of ideological indoctrination. That is what you said. Can you elaborate what you meant by that?

Mr. PRIMORAC. Yes, Mr. Chairman. Thank you for raising that issue. I think that Chairman Mike McCaul of the House Foreign Affairs Committee put it well when he learned, for example, that the State Department was spending a massive amount of money, not only in the past, but in the future, in strengthening its DEI structures within state. The same thing is over at USAID, and he commented how DEI, as enforced, now foreign aid and civil service officers must pledge allegiance to the DEI agenda or else risk not being promoted.

One of my colleagues, formerly of USAID, looked at FEC, Federal Election Commission, data regarding political contributions, and at the State Department and at the USAID, you are talking about 97, 94 percent to one party. When you are looking at the top contractors for USAID and you are talking about companies that are earning billions of dollars, again, you look at their FEC contributions, it is almost 100 percent, and on and on and on. What this has done has really harmed our work force in which anybody who does not agree with this Marxist-inspired DEI and other radical ideology is not welcomed. So, you basically have a one-party aid industrial complex, both in the bureaucracy but also in the aid community.

I will just read to you really quickly, for instance, Interaction is a coalition of a humanitarian aid organizations. Their DEI statement is that anti-Blackness is rooted in White supremacy and refers to a White gaze—G-A-Z-E—that places people of color against a model of Whiteness. You have another major coalition of USAID contractors talking about self-identity as Black, indigenous, and people of color, BIPOC women, gender queer, non-binary, LGBTQIA+, people with disabilities, and those from formerly or currently colonized countries. Basically, what this industry has told America, that if you are conservative, if you are Republican, if you are independent, you are a moderate Democrat, which is the vast majority of America, there is no place for you to work in this industry. Thank you.

Mr. GROTHMAN. Very illuminating. I personally believe the reason we could not get along with the people in Afghanistan is these State Department types were what most people around world would be considered left-wing extremists. Next question. Well, first of all, I guess you gave me some. Can you give me any other examples of how the administration weaponizes foreign aid programs?

Mr. PRIMORAC. Well, I can give you an example of one project that is stunning. It is a \$45 million 5-year program to support global NGOs around the world. And I remember reading about this project and looking at requests for applications, looking at a footnote and mentioning that the inspiration for the theory working behind it was an Italian Marxist. And I looked at some of her work, and one of her panels that she led was titled, "Marxism in Social Movements: Is Marx Back in Social Theory?" We are literally financing a global network of anti-American, anti-capitalist, anti-Western NGOs.

Mr. GROTHMAN. It does not surprise me, but it is horrible. Mr. Richardson, a lot of Members of this body are concerned about the amount of foreign assistance we are giving around the world when we have our own crisis at the Southern border. Can you discuss how the U.S. should be monitoring the works of public international organizations involved at our Southern border? How do we ensure these PIOs are not working against U.S. interests, and can you give me examples where you think they are?

Mr. RICHARDSON. Yes, absolutely. Thank you for that. Yes, I think the bottom line is that you have a lot of PIOs, and a lot of the U.N. family organizations are providing billions of dollars in funding to NGOs to help migrants make the journey north. And obviously, there is a lot of cash assistance, food support, but they are encouraging, in a way, the migration from the South. Obviously, that goes against, I think, what most Americans are looking for, which is a decrease. In fact, it is against what even the Biden Administration is saying, that they do not want these migrants to come, and yet we are continuing to fund the PIOs that, ultimately, are doing this.

The challenge, as I mentioned in my statement, the challenge with working with PIOs and the U.N. family, in particular, is once you give the money, you almost lose all visibility and transparency and accountability. It goes into a big pot, and then the U.N. folks get to decide how and where to use it. Furthermore, as I mentioned in my statement, we do not currently vet PIOs or the people that they work with, so the money just goes to the U.N. organizations. We have no idea who these people are, who are ultimately getting these funds. We cannot track it. We do not know if these organizations are attached to cartels or human smugglers. It would be pretty smart if they were because, obviously, knowing the flow of resources in humans would be pretty interesting to human traffickers. But it is that type of challenge that we cannot even solve because we do not have any visibility into what is happening.

Mr. GROTHMAN. Thank you. We are paying for our own noose. Mr. Lynch.

Mr. LYNCH. Thank you, Mr. Chairman. Mr. Kenny, I would like to talk about Ukraine a little bit. So, look, I have been on this Committee for over 20 years. The Oversight Committee's job is to oversee how that foreign aid gets spent. So just myself, I have led between 40 and 50 CODELs to Iraq—probably did 20 trips to Iraq—Afghanistan, Somalia, Ukraine, Syria, Sudan, for the purpose of making sure that our money is going to the right places, and I have to say, you know, Iraq was a mess, you know. We had a horror show there. We were handing out, you know, duffel bags

full of cash that went God knows where. There was \$9 billion that the Bush Administration misspent in the original surge to go in there.

But since then, you know, from my own observation, since then, things have gotten much better. You know, the situation in Afghanistan, much more closely watched, much more documented, and going forward to Ukraine. I just want to point out that the \$60 billion in the President's budget for Ukraine, 90 percent of that will be spent in the United States. So, this is munitions for Ukraine and to replace munitions that the United States has already given to Ukraine for their own defense. Compared to the other foreign aid packages that we have seen out there, this one has the most visibility because it is going to be spent, you know, by buying munitions from General Dynamics, Raytheon. American companies staffed by American workers, that is where Ukraine is going to spend 90 percent of its money.

The other piece of this is what is going on in Ukraine and with our oversight there. You know, we have got people on the ground. I was just there recently, met with President Zelensky and his defense minister, talked about the need that we cannot have a bad story about U.S. aid to Ukraine. You need to make sure that every single dollar is tracked in terms of how it is spent, and he obviously brought up the point that he is spending it in the United States, you know, 90 percent of it. And we have a good set of oversight protocols here in the United States to make sure that that money is spent properly.

You know, for 80 years, we have been preparing this country. Our national security strategy has been to prepare our country to respond to a ground war in Europe. All those trillions of dollars over the last 80 years, we have been trying to prepare to respond to a ground war in Europe. Now we have one, and my Republican colleagues refuse to bring a bill up that would actually go toward defending Europe and Ukraine. You know, the EU has already contributed more than the United States has toward Ukraine. The EU has contributed, and largely Germany and the U.K., our British allies, have contributed \$93 billion directly to Ukraine. Now, people will say, well, naturally, they are European countries, and they are fearful for their own security. That is right, but they have been all in on this, and what Ukraine is asking for is the ability to defend itself.

So, can you talk a little bit in this last minute about what it means to U.S. national security and U.S. prestige in the world, U.S. leadership in the world, this refusal of the United States to step up and defend a democracy that is fighting for its life against a brutal criminal gangster dictator in Vladimir Putin? What does that mean?

Mr. KENNY. I am an economist, not a national security expert, but I will say that I think the U.S. leadership in Ukraine really matters worldwide. It is of intense interest, as you say, to some of the United States' closest allies. I would also say that Ukraine is spending this money really effectively and well. It has one of the world's best systems for spending money. ProZorro has been universally admired. So, the combination of it being a really important place to spend money and a really effective place to spend money.



Mr. LYNCH. Let me ask you, you know, according to the witness from the Heritage Foundation, the Trump Administration justified cuts because they wanted to “avoid injecting divisive sociopolitical issues into its humanitarian, global health, and development responses.” Mr. Kenny, what is divisive about funding global health programs that promote the safety and well-being of women and girls? Because that is a lot of what I have seen overseas—you know, down in Sudan, we did an HIV clinic to stop the spread of HIV and AIDS on the continent. What is divisive about that?

Mr. KENNY. I think all the panelists would agree that PEPFAR has been a massive success and I think is a model for the world and shows incredible U.S. leadership. I would also say that PEPFAR gets a bit less effective when a whole load of the usual providers cannot be used, because, as it happens, they also advise on sexual and reproductive health, and they are taken out of the picture. It actually makes PEPFAR’s work more difficult. Frankly, it also leads to more abortions worldwide. We see when the global gag effect comes in, that because the United States is such an important funder in this area, countries get less in the way of sexual and reproductive health services, including contraceptives, and the result is that the abortion rate goes up.

So, I would love to see this not be quite the political football it is and turn into something where, you know, the United States has shown such fantastic leadership on this. It is saving hundreds of thousands of lives in a really cheap and effective way. Anything that stands in the way of that seems to me a real shame.

Mr. LYNCH. Thank you. Mr. Chairman, I yield back, and I thank you for your courtesy.

Mr. LYNCH. Thanks. Mr. Sessions?

Mr. SESSIONS. Mr. Chairman, thank you very much, and my dear friend who has just spoken did politicize this activity. So, I would ask each of you, what about the Inspector General who tried to find out about the debacle that happened in Afghanistan and was completely blocked from receiving information about what United States spent their money doing, not just in the war, but in aid also? Do any of you have insight into that?

Mr. PRIMORAC. I would be willing to speak about the aid piece since the debacle. There was a recent report from the Inspector General that mentioned that \$3 billion worth of cash disbursements in Afghanistan, that they cannot account for really where it went. Keep in mind, in order to have—

Mr. SESSIONS. So, that kind of matches what the gentleman was talking about, all this cash that disappeared under George Bush, so it is a rough business. Is that right?

Mr. PRIMORAC. The problem with Afghanistan is we do not have anybody on the ground, so there is absolutely no one on the ground to see where the money is going or to be able to verify with partners, or even who the partners are.

Mr. SESSIONS. And there was never going to be anybody there—

Mr. PRIMORAC. Yes.

Mr. SESSIONS [continuing]. And they gave the \$3 billion anyway.

Mr. PRIMORAC. They gave the \$3 billion. Every year, we have spent billions of dollars in Afghanistan, and the Special Inspector

General for Afghanistan Reconstruction has repeatedly explained to Members of Congress that he cannot guarantee that we are not financing the Taliban.

Mr. SESSIONS. Yes. Gentlemen, by the way, thank you for being here, each of you. I think what our young Chairman is doing is a very valuable hearing, and I could not wait to get here. I am sorry. We were at votes. Conversation from you, are any of you aware of Center for Immigration Studies? Mr. Richardson, talk to me about them.

Mr. RICHARDSON. They are a nonprofit think tank that focuses on lower migration numbers. They state that they are pro-immigrant.

Mr. SESSIONS. Center for Immigration Studies produced a paper January 24. Mr. Chairman, I would like unanimous consent to enter this into the record.

Mr. GROTHMAN. Without objection.

Mr. SESSIONS. Gentlemen, immigration, let us see, the Federalist.com. Anybody aware of them? Mr. Richardson?

Mr. RICHARDSON. I am not sure I am following that one, sir.

Mr. SESSIONS. OK. I do. I will put myself in that category. I do. Mr. Chairman, I would like to ask unanimous consent, "United Nations Grantee Uses U.S. Tax Dollars to Fund Illegal Immigration." I would like to enter that into the record also.

Mr. GROTHMAN. Without objection.

Mr. SESSIONS. Mr. Chairman, I know that there are lots of things always that we could disagree with, but one thing that, living in Texas, I cannot agree with is the way we have a political philosophy by the Democratic Party that we are going to open up completely our borders without regard for national security, without regard for the law, without regard for common sense, and not only place Americans in a difficult position, but using our money to get that done. Who is the largest organization that we think, NGO, that we pay money to, to encourage this sort of activity, at least in our Southern border. Do any of you have any heads up on that? Mr. Richardson?

Mr. RICHARDSON. Well, the International Organization for Migration is one of the largest, again, a U.N. family organization. They are spending, I think it is \$1.6 billion. They just stated they are looking to raise money in order to fund a myriad of nonprofits. As I said in my testimony, we have no idea who these people really are. We cannot dive deep into making sure that these are the right types of people we should be providing. But beyond that, they are encouraging migration by making it—

Mr. SESSIONS. Illegal immigration or migration.

Mr. RICHARDSON. Illegal immigration. They are encouraging illegal immigration into the United States by funding and making it easier for people to make their way north, and it is so apparent to me that I do not think it is a question of whether that is true or not.

Mr. SESSIONS. Yes. Mr. Chairman, I want to thank you for having this hearing today, and I want to thank our witnesses for being here. I just think that this is all courtesy of the Democratic Party, and we should understand that elections have consequences. Mr. Chairman, I yield back my time.

Mr. GROTHMAN. Ms. Porter?

Ms. PORTER. On October 7, 2023, Israel endured a devastating terrorist attack by Hamas. I support Israel's right to defend itself against terrorism, and I would say the same for any other country. That is because Israel should be treated like any other country. That is what Israel tells Congress, and I fully support that. As we consider aid to our allies, Congress should hear every country out. Israel should be treated like any other country, and that is why I signed the discharge petition for President Biden's aid package so that we can have that debate about appropriate aid on the House Floor, and when we do give foreign aid out, we verify that our allies are following the rules. The Leahy laws are supposed to verify that every country is meeting the same human rights standards. Under these laws, again, Israel should be treated like any other country, but is it? Is the vetting process really the same for all countries? Let us pull back the curtain.

Mr. Richardson, does the United States vet each unit of a country's military individually before they receive security assistance?

Mr. RICHARDSON. Our vetting process is focused on non-U.S.-based NGOs, and so does not include PIOs and generally does not include foreign militaries, the way that we do partner vetting in sort of a foreign assistance way.

Ms. PORTER. But do you vet at the individual? Does the Leahy law generally require individual unit-level vetting?

Mr. RICHARDSON. I am not aware of the military vetting on an individual unit basis, no.

Ms. PORTER. You were in charge of foreign assistance at the Department of State, and the budget for security assistance was about 30 percent of your total budget.

Mr. RICHARDSON. Yes, ma'am.

Ms. PORTER. So, let me help you out on how it is supposed to work.

[Chart]

We are supposed to do unit-level vetting to make sure that each military unit that gets assistance is not violating the law, and that is the way it works, except—this whiteboard is big—except for 15 countries. Fifteen countries. Fifteen countries that include a whole number of other countries, and I am happy to read them off, but there is a long list of them, 15 countries. So, I am curious if other countries are getting special treatment. Let us say there is potential evidence that a unit of a country's armed forces has committed a human rights violation, and there are exceptions for these different processes. So, the special processes call into question if a single objection is enough to stop aid. Is that true? If there is a single objection that there is a human rights violation, does that stop aid?

Mr. RICHARDSON. When there is an accusation of abuse or misuse of U.S. resources in the security space or in the development space for that matter, you do have the ability to raise that, and that gets vetted throughout multiple processes.

Ms. PORTER. Right. That is how it works, except for who? Except for what countries? Do you know?

Mr. RICHARDSON. I am sorry. I do not, ma'am.

Ms. PORTER. Except for Israel, Ukraine, and Egypt, except for those countries. Generally, units would stop receiving assistance

immediately, but there is that important concern. So, when does aid stop immediately? State Department says that aid should stop immediately if there is a problem. Does it?

Mr. RICHARDSON. It totally depends on the circumstances and situations.

Ms. PORTER. Does it depend on the country that is getting the aid?

Mr. RICHARDSON. It also depends on the country receiving the aid, yes.

Ms. PORTER. So, what country does aid not stop immediately under Leahy?

Mr. RICHARDSON. I would have to go back and look through my notes.

Ms. PORTER. You do not know what country that is. It is only one in the entire world. Guess what? Except for Israel. So, look, Congress has been told time and time again that the Leahy laws apply to everyone, to every country, and on paper they do. But when we pull back the curtain, when we do some oversight, not all countries are being treated equally when the Leahy law is being implemented, especially our ally, Israel.

Look, if Israel wants to be treated equally, which I am for, then let us do it. Let us see the Israel Leahy vetting forum standard operating procedure so that we can see exactly how it works, how it is different from other countries, and what would the Department of State would need to change to treat Israel equally. I yield back.

Mr. GROTHMAN. Thank you. Mr. Fallon?

Mr. FALLON. Thank you, Mr. Chairman. I do not have a marker board, so.

Ms. PORTER. I feel bad for you.

Mr. FALLON. Well, I will just leave it there. This is my concern, that we live in a very small world now, and foreign aid, I think, is critical. Not all my colleagues agree with that, but I have seen, being an amateur student of history, what happened after World War I. We became very isolationist. We got these big two moats, the Atlantic and the Pacific. We feel very safe, and all we got was a worse war 20 years later, so I do not want that to happen again. But we also have a geopolitical competitor that has 4-and-a-half times the population that we have and nearly the same GDP, in China, and it is very worrisome.

So, we need to take heed of what China is doing with their Belt and Road Initiative and make sure that we administer our foreign aid very, very well, very precisely, and also, here domestically, acknowledge that we have a spending problem, we have a debt problem, we have a deficit problem on a yearly basis. And one of the first things that is going to go, when that problem becomes too large to ignore and we hit austerity, is foreign aid, and then China is going to rule the roost around the world. So, all these issues are interrelated.

And then another concern I have is this foreign aid that is, I feel, very critical, I do not want to see it weaponized, and I think this Administration, unfortunately, has done that with taking these concepts that are not even largely agreed upon in this country, and certainly different cultures find some of this stuff very alarming when you are talking about promoting abortion, and gender iden-

tity ideology, and sometimes the climate. Obviously, we need to be concerned about climate, but not climate alarmism. We have to live within the bounds of reality, and this leftist shift in the foreign aid direction is very troubling to me. I think it needs to be more about promoting and projecting U.S. security and our prosperity and our democratic values, and not spreading ideologies that are truly fringe concepts, not only in this country, but particularly in other countries that have different cultures.

So, another very alarming issue to me, and I went on a CODEL with Chairman Lynch to Eastern Europe and Ukraine, was—and I do not want to see—because if enough Ukrainian aid falls into the wrong hands, particularly any kind of lethal aid, they are going to lose the war. Because we are going to demand, on both sides of the aisle, that we do not give them any weaponry anymore, and then Kiev is going to fall, Putin is going to win. I do not want to see that.

And what I wanted to ask the witnesses, and thank you all so much for being here today, is do you feel that the Biden Administration has done a good job in conducting the oversight of this aid? Mr. Kenny, you can go first, and just kind of a quick “yes” or “no” or maybe a couple of sentences.

Mr. KENNY. I cannot speak to the military aid. On the economic aid side, yes.

Mr. FALLON. You think it is? OK.

Mr. PRIMORAC. So, across the board, I would say no, unfortunately.

Mr. FALLON. No? Mr. Richardson?

Mr. RICHARDSON. No.

Mr. FALLON. And that is the thing. Look, I am rooting for Ukraine, and I want them to get the aid that they need. I think it is an extreme position to do what this Administration has done with giving them basically an open checkbook. At the same time, I think it is an extreme position to do absolutely nothing and let Putin win. So again, we need to thread a needle there.

This is what is concerning to me. On the 11th of January this year, the Inspector General of the DoD released a report evaluating the DoD’s of defense articles provided to Ukraine. In the report, the DoD IG determined that as of June 2023, “the serial number of inventories for more than” a little over a billion dollars, 59 percent of the total that they checked, which was \$1.7 billion, “of the EEUM designated defense articles were delinquent.” That quote is directly from DoD’s very own press release. I mean, that is 59 percent. And then the IG went on to say, IG Storch said, “Persistent gaps as identified in our evaluations may correlate with an inability to maintain complete accountability for this critical U.S. security assistance.” So, knowing that, do you believe that this is a smart investment? Mr. Richardson, you can start.

Mr. RICHARDSON. At the end of the day, we cannot allow Putin to dominate Ukraine or invade Eastern Europe, and so I think you do have to thread that needle. I think there are ways to have greater control. Cutting out more of the U.N. organizations is certainly a good step. I would advocate for more loans versus direct assistance, having more control over our military sales, all good

ways, but I think you can do it. I think we have to do it. We have to find a way.

Mr. FALLON. Sure.

Mr. PRIMORAC. I would say that in order to be effective, you need to have a strategy. What is the strategy of the Administration? I am not clear. When you are having programs in foreign aid, you need to have an outcome-based approach toward it. Otherwise, they become long-term entitlement programs that actually can do more harm than good.

Mr. FALLON. Mr. Kenny?

Mr. KENNY. Again, on the economic side, I think that the spot checks that USAID are doing are the right approach, and there could be more of them, right? Most of the economic support is going through the World Bank that, I think, has quite good systems in place, and then on to largely pay salaries. There is a very easy way to check if that money has got where it is meant to go. You ask people, did you get paid? And I think USAID is doing some of that. It could do more, and that would be a great solution, but I think so far, from the evidence we have, the money is getting where it is meant to, on the civilian side.

Mr. FALLON. And, Mr. Chairman, just as a final note, I mean, Ukraine has the fourth most natural resources of any nation in the world. Loans are something that is very intriguing because it does help them defeat Putin. At the same time, the American taxpayer can get their money back on a true investment. And they will not have the means to repay now, maybe not in 5 years, but they will eventually, because when this war is over, I do think they are going to be a successful economy. They are 30 years into a 50-year journey, typically. If you look at South Korea and Taiwan as a model of going from authoritarian to a functioning democracy, they are not there yet. They were getting there. Putin stood in their way, but I think, eventually, that may be a solution that saves the day. Mr. Chairman, thank you so much. I yield back.

Mr. GROTHMAN. Thank you. We have a quick request from Ms. Porter.

Ms. PORTER. Oh yes. I would like to ask unanimous consent to enter into the record an article from the Guttmacher Institute, titled, "The Unprecedented Expansion of the Global Gag Rule: Trampling Rights, Health, and Free Speech."

Mr. GROTHMAN. So ordered. Thank you.

Ms. PORTER. And also, I ask unanimous consent to enter into the record this article from *The New York Times*, stating that the United States does not have any evidence to suggest that aid has been diverted or stolen.

Mr. GROTHMAN. OK. Thank you. We will order that, too.

Mr. Perry.

Mr. PERRY. Thank you, Mr. Chairman. All right. I guess, Mr. Richardson, maybe this is coming to you. A few months ago, the Department of Defense Inspector General reported that the DoD had failed to work with the Ukrainians on tracking weapons and equipment going to Ukraine, and that the DoD IG reported that nearly 60 percent—that is a lot—60 percent of advanced weapons and equipment remain unaccounted for. Now, Ukrainians are fighting a war, right? They are fighting for their lives, and I do not

know if we are collecting dunnage. I do not know if we are collecting brass to know how many rounds were fired. I do not know how they are accounting for this equipment. It says, "weapons and equipment." "Advanced weapons and equipment." You can understand expendables like rounds. You can understand, potentially, weapons being destroyed, especially small arms. Start getting into artillery pieces, tracked vehicles, it happens, but they should be able to be accounted for, right? There are ways of doing that, even from far away. Are we relying on the Ukrainians to account for these weapons? I imagine they can assist us, but, you know, we are continually asked. We have been asked for half a year now to provide more money to Ukraine. Sixty percent unaccounted for.

Look, it is hard to go back to your constituents who get up in the morning, pack a lunch, and head off to work to earn money to pay their bills, which they cannot afford right now, and then this Administration, the Biden Administration, says, well, we need \$65 billion to send to Ukraine, and our people are saying 60 percent of it, we do not know where in the hell it is. What is going on?

Mr. RICHARDSON. I cannot speak to the specifics of what is exactly happening in Ukraine. This all happened after I had left the Administration. But I will say that there is a small contingent in Kiev at the embassy that will be responsible for tracking of equipment. It clearly is completely insufficient, as well as the processes that you would need to put in place in order to have appropriate tracking. These are mostly DoD personnel that would be responsible. It is very hard to get outside of Kiev. I assume you have been there. It is hard to get to the front in order to do those types of tracking, but that is true across the spectrum. And also, on the development side or the economic side, we do not have people, Americans or people that we trust, that can go and verify because they are mostly kept captured in Kiev and been unable to get out and see what is actually happening.

Mr. PERRY. So, the system that you described, is this something new, or is this a system that currently exists, or at least existed during this audit, this report, these findings?

Mr. RICHARDSON. So, in Ukraine, you know, this would have been based upon ever since Putin launched his second attack during the Biden Administration, this would have been unique to this circumstance. But I would say the challenge with foreign aid, the way you get to the most corruption, most waste, fraud, and abuse, is when you operate in nonpermissive environments, like Gaza, like Afghanistan, like Ukraine, where you cannot get out and sort of do the monitoring and evaluation that is required in order to provide confidence into the system.

Mr. PERRY. I mean, I got to tell you, your answer that, you know, kind of the way it is, and it is not just this way with weapon systems, it is this way with economic aid, and the other—

Mr. RICHARDSON. It is a real problem.

Mr. PERRY. You know, it does not engender a lot of confidence that I should spend six cents or \$6 or \$60, let alone \$65 billion of the people that I represent, my bosses, they are out there working their tails off and cannot afford their electricity bills, cannot afford their grocery bills, cannot afford, you know, a mortgage on a new

home. And you are not selling me right now. I hate to tell you, you are not selling me. I mean, we have got technology.

I bet if we told Amazon or Mastercard to track every single one of these things, whether it was a dollar, a penny, or a 1–5–5 round, I suspect they would track it as long as they were getting paid, and somehow the Federal Government cannot find its rear end with both hands, but they sure have a way of coming in and telling all the folks in this Committee and across Congress, we got to send billions and billions of more dollars to Ukraine.

Mr. RICHARDSON. I a hundred percent agree that we have to have more command and control and more monitoring and evaluation of foreign assistance, and I go back to the loan idea as well that President Trump has floated. I think you have to have more skin in the game, more ownership by the Ukrainians, more responsibility from the EU. This is ultimately going to impact them the most. You know, this problem did not start, you know, 2 years ago. This problem started because NATO failed to meet its 2-percent obligation. It is very much a whole approach that we have to bring back responsibility and accountability into the system.

Mr. PERRY. Yes. Thank you, Mr. Chairman. I yield.

Mr. GROTHMAN. I am glad we have Mr. Perry on this Committee, but we are going on to Mr. LaTurner.

Mr. LATURNER. Thank you, Mr. Chairman. Thank you to all of our witnesses for being here today as we discuss our Nation's foreign assistance programs. Foreign aid is not merely an act of goodwill. It is a strategic investment in global stability, security, and prosperity. It enhances our diplomatic relations, expands free markets, and promotes humanitarian values, all while being cheaper and safer than war. The money the U.S. spends on foreign aid around the world is a worthwhile investment when it does what it is intended to do. In 2023 alone, the U.S. spent \$52 billion in foreign assistance to over 200 countries and regions. As Members of this Committee, we owe it to our constituents to ensure these funds are used responsibly, transparently, and effectively to achieve their intended goals.

Under the Biden Administration, this has not been the case. One of President Biden's first actions was to reverse a decision made under the Trump Administration and restore funding to the United Nations Relief and Works Agency, despite mounting evidence tying the organization to Iran-backed Hamas terrorists. It is now being reported that at least a dozen UNRWA employees willingly participated in the murder, rape, and kidnapping of innocent Israelis on October 7. Further, since President Biden's botched withdrawal from Afghanistan, the U.S. has provided \$11.3 billion in foreign aid to the region. This past August, the Special Inspector General for Afghanistan Reconstruction, John Sopko, testified before this Committee. In his testimony, he stated, "It is clear from our work that the Taliban is using various methods to divert U.S. aid dollars." Not only did President Biden and his Administration leave behind billions of dollars in military equipment to the Taliban, but now our tax dollars are helping fund their ruthless operations.

The Biden Administration has also weaponized U.S. foreign aid to force their liberal agenda on the rest of the world, pushing taxpayer-funded abortion, climate alarmism, and DEI initiatives. The



status quo from President Biden is unacceptable and unsustainable. We need to uphold our commitment to our allies while cutting wasteful and ineffective spending to better protect Americans' hard-earned tax dollars. I look forward to hearing from our witnesses.

Mr. Richardson, it is clear that our foreign aid efforts involved a multitude of offices, agencies, spanning the government. I want to talk about the coordination happening across these entities. Currently, there are over 20 U.S. Government agencies engaged in our foreign assistance efforts. What can we do to ensure that our efforts among these agencies are strategically aligned and coordinated to maximize the impact and efficiency?

Mr. RICHARDSON. Yes. Thank you for that statement and for the question. As you mentioned, there are over 20 Federal Government agencies responsible for foreign assistance. So, we talk about USAID, State, MCC, DFC, but we have got Treasury out there, Commerce, Agriculture, Justice Department, DHS. They are all sort of operating in a complete stove-type manner, and it is supposed to be coordinated at the post, so it is supposed to be coordinated by the Ambassador at a particular mission. The problem is it does not happen that way, and, ultimately, the Ambassador has lots of things they are focused on, and God bless them, they are doing hard work, but the funding decisions about what types of programs are going to these posts are happening here in Washington.

So, you really need to centralize it, have a director of foreign assistance who is actually accountable, can bring all the foreign assistance agencies together, be very clear about what we are trying to accomplish, be clear that this is aligned to our national security goals, as you mentioned. How do we counter China? How do we bolster trade? How do we create prosperity here in America? And then making sure that all Federal Government is working together to achieve that.

Mr. LATURNER. I appreciate the answer and look forward to talking to you more offline about this. Let us switch gears real quick. President Trump has floated the idea of loaning money in Ukraine. Can you elaborate on why loan-based and conditional assistance can be useful in certain circumstances?

Mr. RICHARDSON. Yes, absolutely. I really think this is a larger question, not just of loans in Ukraine, but we really have an opportunity to reexamine how we give assistance more broadly. We have been so accustomed to writing a check to the U.N. or to an NGO or to a for-profit company, and that is just the way it always works. We really need to think about conditional assistance, holding countries accountable, doing more investments. When it comes to loans, you have an opportunity to make sure that Ukraine has more skin in the game, it brings in more accountability, it drives the Ukrainians to actually care more about these dollars than they would today, and that is really what you want. And as your colleague mentioned, Ukraine is going to succeed if they can win this war and they can keep Russia out of their backyard. They really have an opportunity to be very prosperous. That is great, we should encourage that, we should want that, and then the American people should be paid back for every dollar that they spent in Ukraine.

Mr. LATURNER. Mr. Primorac, I have a whole host of questions for you, but I have run out of time, so I will be submitting those. I yield back. Thank you, Mr. Chairman.

Mr. GROTHMAN. Mr. Biggs.

Mr. BIGGS. Thanks, Mr. Chairman, and thank you to the witnesses. I apologize. I am in a markup next door and have been there a better part of the day. So, I want to talk about something slightly different, perhaps. It has been well documented that non-governmental organizations are down at the Southern border in my home state of Arizona and other border states, including south of the border, helping to facilitate and escalate the Biden border crisis. DHS Secretary Alejandro Mayorkas was a board member at one of those NGOs, HIAS, an organization which in Fiscal Year 2022, received nearly 50 percent of its revenues from grants from governmental agencies, including the State Department and Department of Homeland Security. HIAS publicly congratulated Secretary Mayorkas for his appointment, specifically noting that he was a primary architect of the DACA program. In turn, with this web of coordination between the Biden Administration, the NGOs, and the cartels, it encourages more unchecked and unfettered illegal immigration, all at the expense of the American people.

So, Mr. Richardson, please explain to me how these NGOs are coordinating with Secretary Mayorkas and the Biden Administration to continue with this illegal mass migration.

Mr. RICHARDSON. Yes, you bet. The coordination is happening in two ways. The U.S. Government, mostly through the State Department, but other avenues as well, will fund IOM, the International Organization of Migration. They in turn have a network of NGOs that they directly fund. So, these NGOs are getting funding directly from the State Department, USAID, Homeland Security, and 20 other government agencies, most likely. Probably no one knows who is getting multiple U.S. Government grants all at the same time. And then they are also receiving funding from the U.N. Obviously, the problem is that these organizations are encouraging and abetting illegal immigration into our country, which the Biden Administration keeps saying that it is opposed to doing it and yet continues to support organizations that are doing just that.

Mr. BIGGS. And FEMA also helps provide them dollars as well. Another NGO, Lutheran Immigration Refugee Services, reported more than \$93 million in U.S. Government grants in its 2021 financial statement, meaning that taxpayer-funded grants accounted for more than 80 percent of its total support. Additionally, a DHS OIG report found that 18 different NGOs receiving a total of \$66 million in funding did not always comply with funding and application guidance. Are there any accountability measures in place for NGOs who misuse taxpayer funds to prevent them from receiving future dollars, or is Congress and the Biden Administration going to continue to fund this illegal mass migration operation? And I think we all know the answer to that.

Mr. RICHARDSON. Yes. Like, at the end of the day, the Biden Administration seems committed to funding these NGOs. If there are documented problems, there are processes in order to sort of blacklist an NGO, but these NGOs are doing exactly what the Biden Ad-

ministration wants, which is to provide comfort and support for illegal immigration across our Southern border.

Mr. BIGGS. Yes. It is an organized, well-oiled machine working to carrying out this mass migration. Mr. Primorac, is that how you say it?

Mr. PRIMORAC. Yes.

Mr. BIGGS. What are these NGOs specifically doing to help illegal migrants once they cross into the U.S. or even as they travel up to the United States?

Mr. PRIMORAC. Congressman, what I would like to do to answer that question is to start in Central America, specifically, where the root causes strategy in which we are spending, you know, billions of dollars in order to prevent them to coming up in the first place. But when you start looking at what the programs are, for instance, it is a \$50 million regional center to promote gender equity. There is one to promote intersex legal reforms. These are the kind of projects that we are pushing. And second, no matter how much we are going to spend in foreign aid in Central America or other places, when you look at the remittances that go back to Central America, you are talking a fact of tens of billions of dollars, so a factor of 20, 30, or 40 times more than the foreign aid that we are providing these countries, so it does not work. It is simply a waste of money.

We need a strong border. That is what is going to prevent them from coming into the United States, but there is no incentive for these countries to reform economically as long as they see billions and billions of money, of dollars coming in from remittances, whether they are legal or illegal immigrants.

Mr. BIGGS. And I would say tacitly, that indicates that there is, if not direct coordination, there is certainly complicity with the cartels who are managing our Southern border, and that is a critical component to why we should not be doing this. Thank you for entertaining my questions.

Mr. Chairman, I have some UC requests.

Mr. GROTHMAN. OK.

Mr. BIGGS. I would like to introduce into the record three different articles. One, "NGOs Use American Tax Dollars to Relocate Migrants." One called, "Biden Administration Sends Millions to Religious Nonprofits Facilitating Mass Illegal Migration." The third one by actually one of our witnesses today, is, "Foreign Aid Can't Stem Illegal Immigration: The Case of Guatemala."

Mr. GROTHMAN. So ordered.

Mr. BIGGS. Thank you. I yield back.

Mr. GROTHMAN. OK. I am just going to give myself 3 more minutes, and then I guess we will wrap it up. It was a very interesting hearing, but we will give a question, I guess, to you, Mr. Richardson. Over the years, there have been several witnesses before this Committee and Subcommittee emphasizing the need to monitor and evaluate the contractors and grantees.

Mr. RICHARDSON. Mm-hmm.

Mr. GROTHMAN. The Special Inspector for Afghanistan Reconstruction told us instances where contractors with questionable backgrounds still were getting lucrative contracts and were later found to have engaged in corrupt practices or even supported insur-

gent groups. Like Afghanistan, the USAID Inspector General testified in 2019 before the Approps Committee that USAID, their limitations in mitigating implemented risks, have contributed to corrupt schemes across Iraq, Syria, and Africa. Can you tell us what tools we can use for USAID and the State Department to vet these contractors and grantees better?

Mr. RICHARDSON. Yes. So, there is a very limited vetting program for partners that is focused exclusively on terrorism and only in a certain number of countries, all in the Middle East. I would strongly argue that we really have to expand the vetting process, make sure that everyone that receives U.S. taxpayer dollars, we know who they are, but not just the main contract, right? So, we will submit a contract for \$50 billion with an organization. They will then, in turn, give 50 percent of that to other folks. We need to know who those other folks are. We need to know who is actually implementing assistance on the ground and be able to track who these people are. Are they bad actors, not just related to terrorism, but cartels, human traffickers, poachers. There is a whole host of folks who want to be inside our system who could manipulate our system.

The other thing I would say is when we talk about monitoring and evaluation, what the development people are really telling you is that if I purchased an apple, you give me an apple, and that means we have success. Well, what is the goal? What are we trying to accomplish in that country, in that region, globally, and how does that apple add up to anything? We do not track that. That is the big missing middle in terms of our strategies. These countries, our host countries, our Ambassadors, our teams, will create lofty goals about what we are trying to do, and then every one of these little programs will do monitoring and evaluation that just proves that they are accomplishing something, but they are not actually proving that they are accomplishing a larger objective.

For the next stage of monitoring and evaluation, I really encourage the Congress to pass legislation to really force the Administration to align projects to actualize strategic goals.

Mr. GROTHMAN. We will see if we can do something statutorily. I guess that is it. I wish we had another half an hour, but we are not going to.

OK. In closing, I want to thank our witnesses once again, for their testimony. I yield to Ranking Member Lynch, I guess, for the second here. Do you want to do any closing remarks?

Mr. LYNCH. No, I am good. Thank you.

Mr. GROTHMAN. OK. I will recognize myself. OK. I would like to thank you all for being here. I think we have covered so many different areas. We are weighing in on social issues that I wish we could spend more time on that on countries abroad where we are just attacking their religion and trying to drive their children away from what would be traditional values, even traditional values in this country. We are wasting money right and left. We are spending money, say, in the Middle East, to undermine our ally, Israel. In this country, we are spending money to encourage more people to come across the line. I mean, there is almost nowhere I have seen since in Congress that we have money spent more, not only frivolously, against our own interests, and I think we are going to

do some follow-up questions here eventually, but either way, I wish all of you luck in trying to get the whole foreign aid establishment back on the straight and narrow.

So, with that and without objection, all Members have 5 legislative days within which to submit materials and additional written questions, which will be forwarded to the witnesses.

If there is no further business, without objection, the Subcommittee stands adjourned.

[Whereupon, at 4:11 p.m., the Subcommittee was adjourned.]

