

## Doug Bandow: US Aid Isn't Working

By [Ma. Rizza Leonzon](#) true 23 February 2011



The Obama administration has been banking on the relationship between aid and national security in its bid to secure funding for overseas development programs. But there is “little evidence” that U.S. aid programs have in fact helped advance national interests, an expert argues.

>> [Rajiv Shah Responds to House Republicans: Foreign Aid is Key to National Security](#)

Doug Bandow, a senior fellow at the Cato Institute, cites U.S. aid programs in Egypt, Afghanistan, Pakistan and Iraq in making a case against U.S. overseas funding. Waste and corruption in humanitarian projects in Afghanistan and Iraq are “legendary,” he notes, while Egypt remains poor and undemocratic despite the \$30 billion in aid that the U.S. has provided to the country over the last three decades.

>> [US Aid Keeps Egyptian 'Dictator' in Power, Analyst Says](#)

The U.S. government “should [get out of the aid business](#). There are limited instances when financial transfers might supplement or even substitute for defense expenditures, but the Cold War is over. The U.S. is the sole superpower and faces no global rival,” Bandow writes in a column for Forbes magazine.

Instead of focusing on development assistance, the U.S. should ease access of developing countries to the global market by reducing trade barriers, Bandow suggests.

“For instance, the U.S. limits sugar imports from Caribbean. Pakistanis would benefit far more from lower textile tariffs than from additional subsidies to their ineffective government. One of the most important roadblocks to international trade liberalization is American and European agricultural subsidies,” according to Bandow, who served as special assistant to former President Ronald Reagan.

In providing humanitarian aid, the U.S. government should allow private organizations to spearhead relief operations. U.S. humanitarian assistance should target temporary disasters “where the U.S. government has unique logistical advantages—such as using an otherwise unemployed aircraft carrier to assist tsunami victims,” he says.

“With the country drowning in red ink, Washington must cut every unnecessary program. Misnamed foreign aid is a good place to start,” Bandow notes.

[Read more about U.S. development aid.](#)



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As a staff writer, Rizza focuses mainly on business coverage, including key donors such as the Asian Development Bank and AusAID. She covers breaking business news particularly at the ADB and has conducted interviews with specialists from the Inter-American Development Bank, World Bank and other top players in international development. Rizza also contributes to the daily Development Newswire and other Devex publications.