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## Tracking Your Taxes: Sending Billions in Aid to Despots and Wealthy Nations

**The U.S. spends billions in taxpayer money on foreign assistance each year, but large pieces of the \$36.7 billion aid budget will be going to countries whose leaders attack the U.S. -- and to others that are already rolling in dough.**

By William La Jeunesse  
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The U.S. is expected to spend about \$36.7 billion on its foreign aid budget next year, but large chunks of that money will be going to countries whose leaders openly vilify the U.S. -- and to others that are already rolling in dough.

Americans went broke last year filling up their tanks thanks to high gas prices leveraged by OPEC, the Organization of Petroleum Exporting Countries. Yet this year, the State Department budget provides millions to oil-rich kingdoms relishing huge profits, like Saudi Arabia, Oman, Bahrain and the United Arab Emirates.

Ever-increasing spending on aid strikes some foreign policy experts as unwise -- and a monumental waste of money.

"We still cannot point to any relationship between foreign aid and growth, between foreign aid and the right kinds of policies or institutions that create prosperity," said Ian Vasquez, director of the Center for Global Liberty and Prosperity at the Cato Institute.

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Much of the foreign aid budget is spent on military, disaster and humanitarian assistance. But some of the spending for 2010 will be heading to countries where dictators rule:

- \$98 million to persuade Kim Jong-il of North Korea to give up nuclear weapons
- \$20 million for political prisoners and political rights in Castro's Cuba
- \$6 million to promote civil society in Hugo Chavez's Venezuela
- \$500,000 for border security in Muammar al-Qaddafi's Libya
- \$26 million to help train police in Evo Morales' Bolivia
- \$56 million to support the rule of law and human rights in Vladimir Putin's Russia, arguably one of the world's richest nations

Foreign aid checks are rarely ever written directly to a government. Funding is generally provided to companies and non-governmental organizations that operate in other countries, which the U.S. government says helps advance human rights and the rule of law abroad. Some organizations keep close ties to their host government, and others work in spite of them.

The question is, do any of the programs work?

In Colombia, where the U.S. spent \$38 million to improve human rights in 2008, State Department auditors concluded five of six program areas failed.

The U.S. provided \$18 million to improve governance in Honduras, but auditors found nearly all of the 28,000 trained by the U.S. will be replaced after elections in November.

Critics say some recipients of U.S. aid are capable of covering the costs themselves.

"Given rising oil prices around the world ... this would be an opportune moment to look at these programs very carefully and see if we should push the Russians to pay for this themselves," said John Bolton, senior fellow at the American Enterprise Institute.

Elsewhere, the Office of Middle East Programs oversees almost \$4 billion in U.S. aid to countries like Egypt, Lebanon, Jordan and the Palestinian Authority. Auditors found it nearly impossible to evaluate program success because the office operates without a management plan and didn't have any reliable data to actually measure anything.

Yet large blocks from the economic aid budget are being parceled out for the Middle East:

- \$360 million to Jordan to advance political reforms and make local health improvements
- \$250 million for Egypt to push political and economic reforms
- \$109 million to help foster democracy in Lebanon
- \$400 million to the Palestinian Authority, which doesn't even represent the 1.5 million residents of Gaza

Some of that funding strikes critics as shortsighted, and possibly dangerous to U.S. interests.

"I don't think we're really creating security forces for the Palestinians," with that money, said Bolton. "I think we're helping to subsidize an army for a putative Palestinian state."

Other large pieces of U.S. are going to fund objectives that may be of far less use for the U.S., including:

- \$200 million to integrate Serbia, Kosovo, Bosnia and Herzegovina into the EU
- \$177 million to fight greenhouse gas emissions in other countries
- \$90 million promote energy independence and sound economic policy in former Soviet bloc Ukraine
- \$62 million to develop a more vibrant civil society in Georgia

- \$11 million to encourage reunification in Cyprus, which hasn't happened in 35 years
- \$28 million on peace in Somalia, where pirates roam free, and there is no actual government
- \$3 million for climate change in Jordan

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"It's time to cut foreign aid," said Vazquez, of the Cato Institute. "[F]oreign aid has often caused far more harm than good."

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