

CONGRESSIONAL TESTIMONY

THE USAID BETRAYAL

Testimony Before
Foreign Affairs Committee
United States House of Representatives

February 13, 2025

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My name is Max Primorac. I am a Senior Research Fellow at The Heritage Foundation. I previously served at the U.S. Agency for International Development and U.S. Department of State. I've dedicated 35 years to international relations work. The views I express in this testimony are my own and should not be construed as representing any official position of The Heritage Foundation.

President Donald Trump's decision to shutter USAID reflects the agency's <u>loss</u> of trust of the American people, especially over the last four years. It exposes a bureaucracy and foreign aid sector that went off the ideological rails and no longer reflects the will or values of the American people. What should be an effective tool of U.S. foreign policy has turned into a highly <u>partisan</u> global vehicle focused on spending ever higher amounts of money instead of achieving concrete outcomes consistent with American interests; <u>imposing</u> radical social ideas that are divisive at home and cause resentment abroad; and <u>refusing</u> to be held accountable to Congress and American taxpayers who fund them.

Advocates portray USAID's shut down as a danger to our national security, citing programs to counter Communist China's global ambitions, to protect us from the global spread of infectious diseases, and provide life-saving humanitarian aid. I understand the importance of these programs having served at USAID where I co-chaired a counter-China interagency working group, oversaw containment of two Ebola outbreaks in Africa, and launched and led the Bureau of Humanitarian Assistance. Yet, USAID's obsession with identity politics, gender fluidity, population control, and climate fanaticism undermined these goals as a flood of media articles now inform Americans of massive waste, fraud, and abuse of their money. Every single project has been corrupted by this radical agenda.

USAID's leadership failed in its most basic fiduciary responsibility to avoid the kind of reputational risks that would imperil the agency's public legitimacy in Congress and the American public at large. They have also done harm.

Instead of deploying aid to strengthen alliances, USAID forced Africans to rely on Chinese solar

panels and wind turbines and adopt climate strategies that are financially unrealistic. USAID directives on gender ideology and population control enflamed African government, religious, and civic leaders who mostly hold conservative views. Many told me, "The Chinese do not require us to reject our religious values to do business with them like you do. Why are you pushing us into their arms?" At a panel on Africa, I moderated, a Nigerian Governor related his conversation with the previous USAID Administrator about linking humanitarian aid with adopting the LGBT agenda. He said, "I told her we would rather starve than violate our Christian faith." Visting Africa twice last year I learned from religious leaders that millions of Africans were praying for President Trump to be re-elected president, revealing the mass social trauma resulting from this unwanted cultural imperialism.

USAID also failed in its defining mission to alleviate poverty and reduce hunger. It <u>exacerbated</u> both. Its climate programs helped increase world energy prices that hit the poor hardest, making natural gas-based fertilizers unaffordable for poor farmers and reducing their crop yields. It blocked financing to developing countries seeking to develop their fossil fuel endowment needed to generate jobs and revenues to finance health, education and other social services, locking them into permanent poverty and aid dependency.

USAID's humanitarian aid system is broken. In Gaza, American aid financed Hamas'scampaign to exterminate Israel. Similarly in <u>Afghanistan</u>, <u>Yemen</u>, and <u>Syria</u> where we lack physical presence to ensure that our aid is not being diverted to terrorists. Our aid has been sustaining war economies.

USAID failed to properly manage the billions of dollars entrusted to it. This committee's investigation discovered that USAID partners were charging 50% or more for overhead. A government audit showed that USAID could not account for overhead charges of over \$142 billion in awards. According to federal elections commission data, billions of dollars of taxpayer money has been financing a one-party progressive aid industry that systematically discriminates against the American people.

So, what next? I recently <u>wrote</u>: "Secretary of State Marco Rubio has the daunting task of separating the wheat from the chafe, preserving those foreign aid programs that reflect American values and align with U.S. interests." The Secretary must figure out with Congress how to restructure a broken foreign aid apparatus that is aligned with our national security needs and does not violate American values.

President Trump's leadership has created a unique opportunity to fast track reforms of our broken foreign aid apparatus.

Secretary Rubio might look at the reforms made during the last Trump administration. The starting point was that "the purpose of foreign aid is to <u>end</u> it." Foreign aid is NOT an international welfare program. USAID is NOT an international NGO. A robust counter-China infrastructure, dismantled by Biden, should be restored. We must end reliance on corrupt U.N. agencies, international NGOs and for-profit contractors and work directly with local Church-run institutions and private businesses that share our values and value a strategic relationship with America. Traditional aid models must be scrapped in favor of increasing trade and investment, the time-tested hallmarks of poverty reduction. The aid budget can be cut by at least half and produce better outcomes for American taxpayers.

But the Secretary needs the help of Congress. Why should pro-Hamas <u>South Africa</u>, China's main ally in Africa, receive billions in foreign aid? It is time to cut off countries that do us harm and support our

allies instead.

Thank you.

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