Welcome to…

Understanding US Foreign Assistance

Drop in the chat: Your name and where you live
Introductions

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Drop in the chat: Your name and where you live
By the end of this webinar, you’ll be able to...

• Define US foreign assistance
• Understand how US foreign assistance is implemented
• Name the benefits of the partnership between World Vision and the US government
• Be prepared to address common myths about US foreign assistance
How much of the US federal budget is spent on foreign assistance each year?

A) 40%
B) 25%
C) 10%
D) Less than 1%
In January 2016, the Kaiser Family Foundation found that only 3 percent of Americans correctly estimated spending at 1 percent or less of total spending. The average answer was that foreign aid accounts for 31 percent of the U.S. budget.
About how much did the US government allocate to US foreign assistance in FY21?

A) $653 million
B) $17 billion
C) $38 billion
D) $78 billion
Answer

C) $38 billion

According to USAID, $38 billion was obligated (obligation = binding agreement to pay) to be spent in 2021 on US foreign assistance.
As a percentage of Gross National Product (GNP), about how much does the US spend on foreign assistance?

A) 0.2% of GNP
B) 0.5% of GNP
C) 1.2% of GNP
D) 1.5% of GNP
The US spends less than 0.2% of GNP on foreign assistance annually! The average for other wealthy countries is around 0.4% of GNP (Brookings Institution).
What is US foreign assistance?
What is US Foreign Assistance?

- Programs funded by the US government, implemented globally (by organizations), to provide:
  - Development assistance (long-term work in partnership with communities)
  - Humanitarian relief (short-term, crisis-oriented, responsive)
…global health, child protection, food assistance, gender equality, education, economic development, water, sanitation & hygiene, humanitarian response…
A Brief History of US Foreign Assistance

1910-20: US sent food to war-torn Belgium and the Russian famine.

1948: The Marshall Plan to rebuild Europe post-WWII.

1961: Congress passed the Foreign Assistance Act, creating USAID.

Since then, foreign assistance has enjoyed robust, bipartisan support!
How is US foreign assistance implemented?
The Appropriations Process
or, how Congress allocates funding

President’s Budget Request

Members of Congress submit their “appropriations requests” to the Appropriations Committee

Appropriations Committee drafts bills

Bills passed on the House and Senate floor… hopefully by the deadline of September 30!

Debate bills in the full House and Senate
US Agency for International Development (USAID)

- Provides grants to trusted implementing partners
- Request for proposals around specific goal in specific place
- Organizations apply for the grant
- The best grant wins!

Let’s make it just a little more complicated… It’s not just USAID!
(Department of State, Department of Labor, Department of Agriculture)
Donor: US Government, under DREAMS (Determined, Resilient, Empowered, AIDS-free, Mentored, and Safe) Initiative
Implemented by: World Vision
Timeline: Oct 2016 – March 2019
Location: Uganda
Achieving her DREAMS

• Adolescent girls were equipped to lead an **Early Warning System**

• **Stay in School Committees** intervened with families to keep girls in school
  • Of over 40,000 participants, 99.7% retained their attendance in school!

• **Health monitoring** (such as HIV testing) and **health training** (such as teaching girls how to use sanitary pads)

• **Faith leaders** were trained on how to advocate for girls’ rights
What are the benefits of partnership between World Vision and the US Government?
Benefits of the Partnership

For World Vision:

• Increase our overall impact (scale up our programs!)
• Access to products that are purchased in bulk that we can help distribute

For the US Government:

• Faith-based organizations can work with communities in a different way
• World Vision’s on-the-ground footprint, long-term commitment to communities, and staff

For Both: Puts our collective goals of eliminating extreme poverty and achieving holistic child wellbeing within reach!
World Vision is the 7th largest NGO implementing partner of USAID!

Bonus Fact: World Vision is the largest implementing partner of the World Food Programme!
What are some common myths about US foreign assistance?
MYTH: When the US is in trouble, no one else comes to our aid.

• During Hurricane Katrina, 95 countries offered foreign assistance to the US (CNN)
• In the aftermath of the Dec 2021 tornadoes in Western Kentucky, Taiwan sent a $100,000 donation! (Spectrum News)
• Gratitude and the benefits of helping our global neighbors are values recognized around the world
MYTH: The US spends more than our fair share on foreign aid.

- Most people think we spend about 25% of federal budget on foreign aid ([Kaiser Family Foundation](https://www.kff.org/issue-brief/))
- As a percentage of Gross National Product (GNP)…
  - Five countries spend more than 0.7% of GNP
  - Average for wealthy countries is around 0.4% of GNP
  - US ranks near the bottom at below 0.2% of GNP ([Brookings Institution](https://www.brookings.edu/))
MYTH: Funds go directly to corrupt governments.

• A portion of US foreign aid is allocated directly to governments
• Typically, if the US has a concern about a government, the US will rely on private channels (NGOs, multilateral orgs) to provide aid (Brookings Institution)
• Foreign assistance can actually be used to help FIGHT corruption! (USAID)
MYTH: US foreign assistance isn’t accountable or data-driven.

- Check out foreignassistance.gov or Dollars To Results (https://results.usaid.gov/results) for foreign assistance data by country, by sector, pull reports, etc.
- Congress can include reporting requirements in authorizing legislation
MYTH: The church should be doing this, not the government.

• If US foreign assistance was eliminated today, every single church in America would have to raise an additional $163,000 each year to make up for it!
• We believe that the church and the government can work together to reach our common goals of ending extreme poverty and ensuring holistic child well-being
MYTH: People will become reliant on foreign assistance.

- The “journey to self-reliance” (USAID)
  - Improve partner countries’ abilities to finance their own development
  - Transition to a relationship with our new economic, diplomatic, and security partner!
- This works! 43 of the top 50 consumer nations of US agricultural products were once foreign aid recipients. (USAID)
- Donors can also provide aid in ways that hold country governments accountable for doing their share (Oxfam)
MYTH: We should be worried about America first. Foreign aid doesn’t benefit us!

- Strengthens our economy:
  - 11 of our top 15 trade partners today are former recipients of U.S. foreign aid (AMFAR)

- Keeps us safe:
  - “Military might alone cannot create stability.” – General Martin Dempsey, previous Chairman of the Joint Chiefs of Staff
  - For every $1 spent on conflict prevention, an estimated $16 is saved in response costs (USGLC)
MYTH: Aid is not relevant anymore to people in poverty.

- For 736 million people worldwide that are in extreme poverty, aid is a lifesaver *(Oxfam)*
  - Foreign aid *has* become a smaller piece of the "economic pie" for most low-income countries
  - BUT: especially crucial for fragile states and throughout the COVID-19 pandemic *(Oxfam)*
MYTH: Most Americans don't support/care about foreign assistance.

- 8 in 10 Americans want the US to participate globally for peace & prosperity
- 55% of Americans are concerned or very concerned about people living in poverty abroad
- 64% of Americans think we should increase or keep current aid levels (Oxfam)
What is the current global situation?
Unprecedented challenges

• 71-100 million additional people falling into extreme poverty (World Bank)
• 13 million additional child marriages & 31 million additional cases of gender-based violence (World Vision)
• Number of people facing acute food insecurity continues to rise, affecting an estimated 110 million children (World Vision)
• In 2022, an estimated 274 million people will need humanitarian assistance (UNOCHA)
What can I do?
Speak up for foreign aid!

- Email. Make a phone call… Then get 5 more people to do the same!  
  www.worldvisionadvocacy.org/foreignaid

- Meet virtually/in-person with your members of Congress  
  www.worldvisionadvocacy.org/wvadvocate
Questions?

Put them in the chat!
Thank you for joining us!
More questions? Reach out to us at advocate@worldvision.org. 😊