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FLAG ON THE BAG?: FOREIGN ASSISTANCE AND THE STRUGGLE AGAINST TERRORISM

HEARING

BEFORE THE

SUBCOMMITTEE ON TERRORISM, NONPROLIFERATION AND TRADE

OF THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

FIRST SESSION

NOVEMBER 18, 2009

Serial No. 111–68

Printed for the use of the Committee on Foreign Affairs

Available via the World Wide Web: http://www.foreignaffairs.house.gov/

U.S. GOVERNMENT PRINTING OFFICE

53–672PDF WASHINGTON : 2010

For sale by the Superintendent of Documents, U.S. Government Printing Office
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FLAG ON THE BAG?: FOREIGN ASSISTANCE AND THE STRUGGLE AGAINST TERRORISM

WEDNESDAY, NOVEMBER 18, 2009

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON TERRORISM,
NONPROLIFERATION AND TRADE,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 2:05 p.m., in room 2172, Rayburn House Office Building, Hon. Brad Sherman (chairman of the subcommittee) presiding.

Mr. SHERMAN. I want to thank everyone for being here. As it happens, we are doing a markup of a bill that could conceivably involve trillions of dollars over in Financial Services, and so myself, the ranking member, and some other members of the subcommittee may have to go there. I know our vice chair may be able to chair these hearings for some portion of the hearing, and I expect that the gentleman from Virginia may do so as well.

We are engaged in a global war on terror, or whatever we are calling it this week. Support for foreign aid is relatively weak among the people of the United States. I think foreign aid is the right thing to do because it is the right thing to do. But, we go back and tell our constituents that foreign aid is a critical part of the global war on terror or the effort for national security. And, it would certainly help if that were true. The more true it is, the more those of us who go to town halls will be able to explain that foreign aid is not just charity, it is not a "waste of money," but it is as important to our national security as any aircraft carrier. That presentation will work better if it is actually true.

Now, there is no shortage of projects for us to provide foreign aid to. Our generosity does not match the need. It doesn't come close. So, even if we were to ignore certain opportunities to provide aid, and concentrate on others, we would have no difficulty finding excellent development projects. So even if we confine our aid to those projects that are consistent with our global national security effort, we will do just as much good as if we ignore our national security effort and only focus on our development objectives.

And so I believe that we should look at our global war on terror objectives, our national security objectives, when we select which country to aid, select what program, decide on the methodology of the program. Do you just distribute food, or do you put the flag on the bag? And, finally, the public diplomacy effort that goes along with the foreign aid effort: To what extent do you resource that effort and what strategy?

Now, I know the purists would say we should only do good, and only do the most good we can, without ever trying to seek any credit for it. I realize that philosophers and theologians who have focused on charity have said that the highest level of charity is when you provide aid and you do it anonymously. But these same advocates of purity internationally are happy to tell Members of Congress to go home and lie to our constituents for a good cause, and to tell our constituents that our foreign aid programs are carefully calibrated to meet our national security objectives, when in fact here in Washington they resist that very effort.

Now, I know that a large portion of our aid currently is going to Iraq and Afghanistan, and there it is part and parcel of our national security effort. But those are temporary programs for the most part. I guess we may be providing aid to Afghanistan decades from now, after our national security interest is over. Iraq is an oil-rich country. But in any case, my focus here is not on Iraq and Afghanistan, but on our ongoing development efforts.

Now, Deputy Secretary of State Armitage made substantial efforts in this area with his National Security Strategy in 2004. He insisted literally on the flag on the bag and graphics of "From the American People." He faced considerable opposition. He succeeded. American foreign aid can help improve the image of the United States.

For example, we provide very massive aid to Egypt but have only a 27 percent approval rating. In 2003, the Advisory Group on Public Diplomacy for the Arab and Muslim World issued a report stating that too few people in the Arab and Muslim world knew the extent of U.S. foreign assistance efforts. If people don't know about our aid, one wonders how that can be part of an effort to gain popularity for the United States and our values.

A positive element was seen in Indonesia. In 2004, 79 percent of Indonesians said they had a more favorable view of the United States as a result of our aid in the wake of the tsunami. In recent surveys in Pakistan, it was found that more than six out of every ten Pakistanis, even those who have a favorable view of bin Laden and al-Qaeda, said their opinion of the United States would significantly improve if the United States increased its aid to Pakistanis.

Now, those who are advocating that we take the flag off the bag—and they are seeking to do that by persuading the administration—should realize that this is not only good policy, it is the law. Section 202 of the Food for Peace Act and section 641 of the Foreign Assistance Act require branding to the fullest extent practicable.

I should note that in the area of foreign affairs, sometimes this administration and the prior two administrations simply ignore statute, for example, the Iran Sanctions Act. But I would hope that those who are advocates of development and democracy in foreign countries would believe in democracy in the United States. And whether they think the flag on the bag is good policy for the United States or not, a proper respect for the rule of law would call upon them to ask the administration to adhere to the law while it is on the books.

The administration has not been able to provide us with a witness here today. This shows a tragic lack of focus on the issue we

are talking about. If we had a division that didn't have a general for 10 months, it would be a national scandal. But who can say that USAID is less important to American national security than a single division in the United States Army?

Yet, we do not have a head of USAID, and in fact we don't have anybody over there who feels that they can come here and explain how our foreign aid policy juxtaposes with and coordinates with our national security policy. Do you think that there is a single general who can't describe how his division juxtaposes with our national security policy? And yet I think that our foreign aid policy is more important than any aircraft carrier group to our national security.

So whether it is country selection, project selection, project methodology, or public diplomacy, all of these need to be tailored to meet our national security objectives. This is important for our national security and has the additional advantage of allowing us to go back and advocate foreign aid and to do so truthfully. If we can show that our foreign aid is tailored to our national security efforts, then we might well see our foreign aid efforts funded at the aircraft carrier level.

Until then, the efforts of the purists are both inconsistent with any purist obligation to tell the truth, and inconsistent with the objective of increasing our foreign, aid and, coincidentally, inconsistent with our national security objectives.

With that, I will yield to our ranking member.

Mr. ROYCE. Thank you, Mr. Chairman. I appreciate it.

The subject of today's hearing, branding foreign aid—in other words, letting the recipient of the aid know that it is the U.S. that is doing the aiding—I think we agree that in a number of instances this can generate goodwill. The chairman has shared with you the often-cited results of U.S. relief efforts that in the 2004 tsunami clearly indicated that it had a beneficial effect in Indonesia, and certainly we saw some of that in the aftermath of the 2005 earthquake in Pakistan. And presumably goodwill translates into Indonesian and Pakistani Government policies that are more aligned with ours, including combating terrorism. Emergency relief aid, though, might be unique.

I have read through a CRS memo that notes that after providing tens of billions of dollars in aid to Egypt over the years, much of that aid branded, only 6 percent of Egyptians view the United States favorably.

I spent this morning with a Colonel Kim who had defected from North Korea and testified before the Tom Lantos Human Rights Commission. He shared with us the result of the foreign aid, the food aid, that went into North Korea and explained how that aid ends up supporting the North Korean military.

As a matter of fact, there was one particular example where the NGO was so insistent that they go along to see the aid given out in the community that the military took the NGO out there with the aid, and then came back up afterwards and collected the aid and took the aid where they always take it, which is the military. Now, I did ask him, does it always end up in the hands of the military? No. It turns out the French NGOs were right; some of it ends up on food exchanges in the nation's capital where it is sold for hard currency. But one way or another, none of it gets into the

hands—well, suffice it to say that this, in his view, it was propping up the regime and it had for years. And, on top of that, it had the added benefit, from the standpoint of the North Koreans, of helping give them the hard currency so that they could develop three-stage ICBMs, helped them a little bit in terms of their efforts developing a nuclear weapon, and he explained to us how they are now working to miniaturize those nuclear weapons so they will have delivery capability.

But when asked about this kind of aid, he said: "Why wouldn't you instead give us medicines that they couldn't have sold, and at least that could be done? You know the effects of the malnutrition on North Koreans. Half of them are affected to the point where they, you know, we can see that they are stunting their growth."

But this is me speaking now for a moment. I have been over in North Korea. It is very clear that the malnutrition is affecting the ability of children to think and conceptualize and so forth. Why not that kind of aid instead of the type of aid that ends up getting into the hands of the regime? Why aren't we more cautious about this?

Well, I think part of it is we never check our premise on this. We never ask ourselves: How are these totalitarian regimes utilizing this aid and for what purpose? And I think at the end of the day, you know, we know that it has been U.S. policy to try to brand foreign aid when possible.

But I do think, I agree with the chairman, I think the application of this has been somewhat haphazard, whether it is U.S. law or not. There are exceptions which are wise, if branding threatens the lives of aid providers, certainly, but others are unacceptable to me if the name on the bag is a self-promoting NGO instead of "USA" on the bag.

And that brings us to one of the other questions that I think we will get into today. All aid will have a brand of some sort, because resources do not go unclaimed. Sometimes our enemies rebrand the aid. Unbranded or U.N.-branded aid that we provide has been manipulated, and sometimes even granted to terrorists, as we have heard in the past about such groups as Hamas ending up utilizing aid for its own purposes. Al-Shabab in Somalia certainly is a problem. Some portion of our aid to Afghanistan reportedly fell into the hands of the Taliban who used it for their own purposes.

I hope the committee moves H.R. 1062, Ranking Member Ros-Lehtinen's Foreign Assistance Partner Vetting Act of 2009, because that bill would address these types of abuses.

In considering these issues, we should guard against falling into a self-absorbed view that events throughout the world, especially the Muslim world, are mainly determined by what we do. And this is something I would caution our witnesses, because I have more and more seen a tendency for us to think this way, and the mindset is that if only we do this, or if only we do that differently than we do now, the situation on the ground overseas is magically going to improve.

Countries struggle with their own demons, many including despotism that goes far, far back that creates dysfunctional society. And it is not all about us. It isn't. And the presumption that if we do things differently it is going to change, I think, is an interesting one.

One dangerous force at play is the jihadist activity that we see around the world, a very intolerant version of Islam that gravely threatens the United States abroad and at home. I think the Fort Hood massacre underscores that.

Boosted by petro dollars, and highly organized, I have seen jihadists march across Central Asia and across Africa. In my trips over there when I chaired the Africa Subcommittee, I watched it grow like a cancer, displacing in many areas—displacing mainstream Islam with a very different version and very confrontational version of this. And jihadists have a dark and grim vision for their societies. Women are battered in these societies. The slightest offense to the orthodoxy can end up meaning death.

I have seen schools where 13 boys were decapitated in Central Asia because they rejected jihad in the madrassah, so a Gulf state custom was suddenly imposed.

The Taliban certainly are adherent to this philosophy. And this jihadist thinking has been around for a long time. It is going to continue its hostility to our country, regardless of U.S. foreign policies, I am afraid, from what I have seen. And no matter how much aid we trumpet, I think the madrassahs are going to continue to turn out young men who have this ambition. Where radical Islam rules, I would say, Do not expect to be loved, flag or no flag on the bag.

And I thank you, Mr. Chairman, for holding this hearing.

Mr. SHERMAN. At this point, are there other opening statements?

Mr. CONNOLLY. Mr. Chairman.

Mr. SHERMAN. I recognize Mr. Connolly.

Mr. CONNOLLY. Mr. Chairman, thank you for holding today's hearing on what I believe to be a vital component of our effort to revive the mission and identity of the United States Agency for National Development.

The need for drawing a coherent connection between our national security and international policies, I think, has reached a critical point. To its credit, the administration has initiated steps to evaluate current U.S. development policy.

In July, the State Department announced its Quadrennial Development and Defense Review which will provide the short-, medium-, and long-term blueprint for our diplomatic development efforts.

Soon after that, the President authorized a Presidential Study Directive on Global Development Policy. These assessments are, at best, adequate first steps, but we must continue striving for the larger goal of overhauling the U.S. development apparatus so that foreign assistance is distributed in the most efficacious way possible.

Of course, all of these efforts have been hampered by the fact that we have gone nearly a year without clear leadership at USAID. The nomination of current Agriculture Under Secretary Rajiv Shah is encouraging, but the administration must equip him with the tools and freedom to hit the ground running if we are to succeed in reviving the agency and its mission. Effective development requires a strong USAID and experienced development professionals in the field.

Foreign aid can benefit noble causes: Women's empowerment, poverty reduction, disease reduction. And it ought to be centralized,

not micromanaged. I know the committee will address this issue on a larger scale in coming months, and I thank the chairman for his leadership in foreign aid reform.

There is a misconception that development is based on short-term charity. That notion is false. The true goal of development is to empower local populations to gain skills and build institutions that improve their lives and the lives of future generations. This in turn helps the United States by promoting economic and social stability. It also can help spur goodwill and improve our relations with a myriad of other nations.

While there are circumstances in which we or our partners may not want to push the USAID brand, it is clear we are not seizing strategic opportunities with the aid we do provide. If the United States plans its foreign aid strategy properly, investments in that aid will return to us many times over.

Just look at the strides already made in education, for example. The agency's American Schools and Hospitals Abroad program has assisted 237 institutions in more than 70 countries. It has facilitated the development and sustainment of superior libraries, schools, and medical centers in Africa, Asia, Eurasia, Europe, Latin America, Caribbean, and the Near East.

We need a robust reinvigorated U.S. development agency, one which consolidates and coordinates the disparate initiatives such as the Millennium Challenge Corporation, the President's Emergency Program for AIDS Relief, short funding, and the expanded bilateral program with Pakistan, just to name a few.

In addition, I believe USAID ought to have a seat in the National Security Council to further cement its mission and voice as the lead agency in this government on international development matters.

Moving forward, our foreign assistance and development policies must have a focal point for their articulation and to ensure full accountability. The time has come, in my opinion, to rebuild and refocus the Agency for International Development. And I yield back. Thank you, Mr. Chairman.

Mr. SHERMAN. Are there other opening statements? The gentleman from Florida.

Mr. KLEIN. I thank the chairman and ranking member for this important hearing. As the full committee is engaged in a discussion about how to make foreign aid more effective and efficient, this discussion comes at an opportune time and very timely as we begin this process.

Foreign aid is one of many important ways that we can express our foreign policy priorities, and with the right strategies America can advance its leadership and values. I am glad this hearing will focus on whether or not we claim credit for the funds we distribute, which has already been discussed. And I also want to make sure to mention that whether or not we promote the American role in the aid, it is the taxpayers' money, and taxpayers have every right to hold our partners accountable. This means appropriate and sensible vetting. This also means flexibility to respond to events that happen around the world. And this means implementing robust end-use monitoring strategies. We must know where our equipment and funds end up. And, obviously, from time to time—when

we hear the stories about it ends up in the wrong hands—Americans are rightfully upset.

Just last week, the New York Times reported that in the middle of what could be a proxy war between Saudi Arabia and Iran, Yemeni extremist groups "do not seem to need military supplies from outside the country; they have no trouble buying or stealing them from Yemen's military," which receives supplies from us, the United States.

So I look forward to this conversation and the opportunity to learn more from our guests today, and I thank the witnesses for being here and for their thoughts. I yield back the balance of my time, Mr. Chairman.

Mr. SHERMAN. Thank you.

Mr. SHERMAN. Are there further opening statements? Seeing none—ordinarily when I would leave, our vice chair would come to the chair. It is my understanding that he, like myself, wants to spend more time at Financial Services. So I will call upon the gentleman from Virginia at some point, unless he has found Financial Services to be less interesting than I do. But I want to hear at least the first witness. Then I am going to turn it over to the gentleman from Virginia. I will be back to ask questions. And I have read most of your statements, so if I am not here in person it is not that I am going to lose the opportunity to learn your wisdom, I just will miss the opportunity to see you deliver it in person.

Dr. Lord is the vice president and director of studies at the Center for a New American Security. Prior to that she was a fellow in foreign policy studies at the Saban Center for Middle East Policy at the Brookings Institution. Dr. Lord.

STATEMENT OF KRISTIN M. LORD, PH.D., VICE PRESIDENT AND DIRECTOR OF STUDIES, CENTER FOR A NEW AMERICAN SECURITY

Ms. LORD. Thank you very much, Mr. Chairman, Ranking Member Royce, and distinguished members of the subcommittee. It is a true honor to appear before you today to discuss the branding of foreign assistance and its place in the struggle against violent extremism.

As the first speaker on this panel, I will summarize some of the benefits of publicizing foreign assistance, but I will also sound a few notes of caution.

Violent extremism is a complex phenomenon, with many causes, and I have tried to lay out a few of those causes in my written testimony. But it is also sustained by anti-Americanism. Widespread anti-American sentiment provides fertile grounds for extremist ideologies and makes it harder to accomplish American foreign policy objectives, including but not limited to countering terrorism.

Support for terrorist networks like al-Qaeda is waning in many predominantly Muslim societies, but nonetheless violent extremists still find it all too easy to translate anti-American attitudes into tangible benefits: Money, safe havens, new recruits, and moral support. Anti-American attitudes remain prevalent despite positive reactions to the election of President Obama. Indeed, just 27 percent of Egyptians, 25 percent of Jordanians, and 16 percent of Pakistanis hold favorable views of the United States.

These attitudes, frankly, mystify many Americans who see the large amounts of financial assistance Americans provide to those in need, and they recall the military commitments our country has made to defend Muslim societies residing in Kuwait and the Balkans. If the world just knew how much good we do, some argue, anti-American attitudes would subside and violent extremists would find less fertile territory for their vicious ideologies.

This argument presumes that anti-Americanism stems from a fundamental lack of awareness about our country's good intentions and actions. And for those who hold this belief, a logical extension is to recommend that the United States should build greater awareness of American aid by both branding and publicizing foreign assistance. And, indeed, there is solid empirical evidence that at least in cases of two significant humanitarian disasters, foreign assistance did improve public opinion toward the United States. The chairman and ranking member have already provided these figures, they are in my written testimony, but let me add just one more provided by the nonprofit group, Terror Free Tomorrow, whose president is with us today.

According to Terror Free Tomorrow, 63 percent of Indonesians and 78 percent of Pakistanis reported having a more favorable opinion because of that assistance. So, in other words, those who had a more favorable opinion attributed that directly to American aid, and I think that is worth underscoring. Yet we should not over learn the lesson that foreign assistance leads to more favorable public opinion.

First, the data linking aid and favorable public opinion is extremely limited and it is largely focused on large-scale disaster relief which could be a special case. The USAID has conducted analyses of public opinion before and after communications campaigns in recent years. Such studies are the exception. They have surveyed only limited audiences, and they haven't tracked the impact of foreign assistance on public opinion over sustained periods of time. If we are honest with ourselves, we actually have very little empirical evidence to justify a face on branding.

Second, favorable reactions to humanitarian assistance seem to have a relatively short shelf life. Only 1 year after delivering earthquake aid, only 15 percent of Pakistanis reported favorable opinions toward the United States, a lower percentage than the years immediately before the aid was delivered. In addition, while 38 percent of Indonesians reported favorable views of the United States after the tsunami aid, that percentage soon dropped to 29 percent in 2007.

Third, the link between foreign assistance and more favorable public opinion is far from clear-cut. The recent announcement of a $7.5 billion aid package to Pakistan, the so-called Kerry-Lugar bill, was met by widespread outrage, not gratitude, due to Pakistani perceptions that mandatory protections against corruption were too intrusive. To give another example, only 27 percent of Egyptians hold favorable opinions of the United States, though Egypt has received nearly $70 billion in U.S. aid since 1975.

In addition to being careful not to draw unwarranted conclusions about the relationship between aid and opinion, there are special

circumstances when our Government should consider carefully whether to brand or publicize foreign aid assistance at all.

When the lives of aid workers are placed in jeopardy due to their association with U.S. assistance programs, the protection of these individuals should weigh heavily against the desire to claim credit. And in the midst of active counterinsurgency campaigns, such as the war in Afghanistan, questions of how and whether to brand assistance should be evaluated in the context of broader security, economic, political, and cultural considerations. In these circumstances, America's strategic success, not to mention American lives, depends on strengthening public confidence in the indigenous government and its ability to deliver services to the population. Thus, the United States should maintain enough flexibility in its branding guidelines to make sure it is not undermining its own wartime strategy.

In most instances, however, the real question will not be whether to brand or publicize foreign assistance, but how. Americans generally should embrace transparency and take steps to make foreign publics aware of the assistance that is provided by our Nation and funded by our taxpayers, but we should not undermine our own objectives by giving the appearance that we are only giving assistance in order to improve our own popularity.

U.S. representatives overseas should therefore take care not to create the impression that the United States gives aid only to get something in return. Where U.S. foreign assistance is unpopular, those perceptions in fact often arise because of the belief that aid is an attempt to meddle in the affairs of other nations, perhaps even with maligned intent. So spreading knowledge of U.S. assistance without addressing perceptions about why that assistance is given could be time ill-spent.

In conclusion, the United States gives foreign aid for many reasons unrelated to public opinion, and it should continue to do so. Improving foreign opinions about the United States is only one, and not even the most important, reason why the United States provides assistance to foreign countries. Though assistance can and should play a role in improving America's relations with the world, public diplomacy—and, by the way, I am known as a public diplomacy advocate——

Mr. SHERMAN. Dr. Lord, I am going to have to cut you off. You have gone considerably over.

Ms. LORD. My apologies.

Mr. SHERMAN. That is okay. I didn't start tapping until a few seconds ago. With that, I am going to turn it over to the gentleman from Virginia, and I look forward to coming back when it is time for me to ask questions. Thank you.

[The prepared statement of Ms. Lord follows:]

CONGRESSIONAL TESTIMONY

"Flag on the Bag? Branding Foreign Assistance and the Struggle Against Violent Extremism"

Prepared Statement of Dr. Kristin M. Lord
Vice President and Director of Studies

Center for a New American Security

November 18, 2009

House Committee on Foreign Affairs, Subcommittee on Terrorism, Nonproliferation and Trade

Mr. Chairman, Ranking Member Royce, Distinguished Members of the Subcommittee:

It is a true honor to appear before you today to discuss the branding of foreign assistance and its place in the struggle against violent extremism. As the first speaker on this panel, I will summarize some of the benefits of publicizing foreign assistance. I will also sound notes of caution.

Violent extremism is a complex phenomenon with many causes. It is sustained by a dangerous potion of ideology, political grievance, economic deprivation, social marginalization, and the lure of tightly knit groups bound by a common cause.

It is also sustained by anti-Americanism. Widespread anti-American sentiment provides fertile ground for extremist ideologies and makes it harder to accomplish American foreign policy objectives including, but not limited to, countering terrorism. Support for terrorist networks like al Qaeda is waning in many predominantly Muslim societies. Nonetheless, violent extremists still find it all too easy to translate anti-American attitudes into tangible benefits such as money, safe havens, new recruits, and moral support.

Anti-American attitudes remain prevalent despite positive reactions to the election of President Obama. Indeed, just 27% of Egyptians, 25% of Jordanians, and 16% of Pakistanis hold favorable views of the United States according to polls released in July by the Pew Global Attitudes Project.[1]

These attitudes mystify many Americans who see the large amounts of financial assistance Americans provide to those in need, particularly in predominantly Muslim societies in the Middle East, South Asia, and Southeast Asia, or recall the military commitments our country has made to defend Muslim populations residing in Kuwait and the Balkans. If the world just knew how much good we do, some argue, anti-American attitudes would subside and violent extremists would find less fertile ground for their vicious ideologies. Americans and predominantly Muslim societies around the world would find it easier to work together in order to counter common threats and find solutions to shared problems.

This argument presumes that anti-Americanism stems from a fundamental lack of awareness about our country's good intentions and actions. For those who hold this belief, a logical extension is to recommend that the United States should build greater awareness of American assistance overseas by both branding and publicizing foreign assistance -- that our nation should visibly put the American "flag on the bag" of aid. The recommendations of the 2007 HELP Commission illustrate this perspective, calling on the United States to "stop being shy about the substantial contributions it makes to development," and underscoring that "informing the public in developing countries about U.S. assistance to their country is a vital element of our foreign policy." [2]

Benefits of Branding

Indeed, solid empirical evidence suggests that, at least in cases of two significant humanitarian disasters, foreign assistance did improve public opinion towards the United States. After U.S. assistance to victims of the 2004 tsunami, for instance, the percentage of Indonesians expressing favorable views of the United States increased from 15% in 2003 to 38% in 2005.[3] After U.S. assistance to victims of the 2005 earthquake in Pakistan, the percentage of Pakistanis reporting favorable views of the United States rose from 21% in 2004 to 27% in 2006.[4] According to survey data, U.S. humanitarian assistance led directly to this change in public opinion regarding the United States. According to the non-profit group Terror Free Tomorrow, 63% of Indonesians and 78% of Pakistanis reported having a more favorable opinion *because* of that assistance.[5]

Reasons for Caution

Yet, we should not over-learn the lesson that foreign assistance leads to more favorable public opinion.

- First, the data linking aid and favorable public opinion is extremely limited and largely focused on large-scale disaster relief, which could be a special case. Though USAID has conducted analyses of public opinion before and after communications campaigns in recent years, such studies are the exception, have surveyed only limited audiences, and have not tracked the impact of foreign assistance on public opinion over sustained periods of time. If we are honest with ourselves, we actually have very little empirical evidence to justify a faith in branding.

- Second, favorable reactions to humanitarian assistance seem to have a relatively short shelf life. Only a year after delivering earthquake aid, only 15% of Pakistanis reported

favorable opinions toward the United States – a lower percentage than the years immediately before the aid was delivered.[6] In addition, while 38% of Indonesians reported favorable views of the United States after the tsunami, that percentage soon dropped to just 29% in 2007.[7]

- Third, the link between foreign assistance and more favorable public opinion is far from clear cut. The recent announcement of a $7.5 billion aid package to Pakistan, the Kerry-Lugar bill, was met by widespread outrage – not gratitude -- due to Pakistani perceptions that mandatory protections against corruption were too intrusive.[8] To give another example, only 27% of Egyptians hold favorable opinions of the United States though Egypt has received nearly $70 billion in U.S. aid since 1975.[9] Despite the fact that Egypt is the second largest recipient of U.S foreign assistance,[10] a full 76% of Egyptians believe that the goal of U.S. policy in the Middle East is to weaken and divide Islam.[11]

In addition to being careful not to draw unwarranted conclusions about the relationship between aid and opinion, there are special circumstances when our government should consider carefully whether to brand or publicize foreign assistance at all.

- When the lives of aid workers are placed in jeopardy due to their association with U.S. assistance programs, the protection of these individuals should weigh heavily against the desire to claim credit.

- In the midst of active counterinsurgency campaigns such as the current war in Afghanistan, questions of how and whether to brand assistance should be evaluated in the context of broader security, political, and cultural considerations. In these circumstances America's strategic success, not to mention American lives, depends on strengthening public confidence in the indigenous government and its ability to deliver services to the population. Thus, the United States should maintain enough flexibility in its branding guidelines to make sure it is not undermining its own wartime strategy.

How Not Whether

In most instances, the real question will be not *whether* to brand or publicize foreign assistance but *how*. Americans generally should embrace transparency and take steps to make foreign publics aware of assistance provided by our nation. But we should not undermine our own objectives by giving the appearance that we are only providing assistance in order to improve our own popularity. U.S. representatives overseas should take

care not to create the impression that the United States gives aid only to get something in return. Where U.S. foreign assistance is unpopular, those perceptions often arise due to beliefs that aid is an attempt to meddle in the affairs of another society, perhaps with malign intent. Spreading knowledge of U.S. assistance without addressing perceptions about *why* assistance is being provided is time ill spent.

There are numerous steps the United States can take to ensure that foreign assistance not only achieves its development objectives but also helps to strengthen relationships between the United States and foreign societies in the process.[12] Using communication strategies tailored to each individual circumstance, our government can, for instance, work closely and visibly with foreign partners, engage trusted voices such as diaspora communities, test communications campaigns in advance to make sure that the message intended is the message received, and ensure that we communicate in ways that respect local norms and cultural sensitivities.

Conclusion

The United States gives foreign aid for many reasons unrelated to public opinion – *and should continue to do so.* Improving foreign opinions about the United States is only one, and not even the most important, reason why the United States provides assistance to foreign countries. Though assistance can and should play a role in improving America's relations with the world, public diplomacy should not drive American development policy. Branding foreign assistance is appropriate in most instances. But it should be done carefully lest our nation undermine the very objectives we are trying to achieve.

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[7] Ibid.
[8] Omar Waraich, "How a U.S Aid Package to Pakistan Could Threaten Zardari," *Time Magazine* (8 October 2009).
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[10] Pew Global Attitudes Project, "Most Muslim Publics Not So Easily Moved: Confidence in Obama Lifts U.S Image Around the World" (23 July 2009), at http://pewglobal.org/reports/pdf/264.pdf.
[11] WorldPublicOpinion.org, "Egyptian Public to Greet Obama With Suspicion" (3 June 2009), at http://www.worldpublicopinion.org/pipa/articles/brmiddleeastnafricara/613.php
[12] As recommended by the Advisory Committee on Voluntary Foreign Aid, USAID should invest in more consistent, effective, and systematic polling and focus groups to determine public reactions to U.S. foreign assistance and the best methods of communicating with foreign publics in order to accomplish both development and public diplomacy objectives. See Advisory Committee on Voluntary Foreign Aid, *From the American People: Why the Story that U.S. Foreign Assistance is Working Must be Told* (November 2008).

Mr. CONNOLLY [presiding]. Thank you very much, Dr. Lord.

Dr. Walid Phares is a senior fellow at the Foundation for the Defense of Democracies. He also leads the Foundation's Future of Terrorism project. He is also a senior fellow at the European Foundation for Democracy, and an adjunct professor at National Defense University.

I would say to all of our witnesses, we have your full statement which will be included in the record. So if you could summarize your testimony, that would be most welcome. Dr. Phares.

STATEMENT OF WALID PHARES, PH.D., DIRECTOR, FUTURE OF TERRORISM PROJECT, FOUNDATION FOR DEFENSE OF DEMOCRACIES

Mr. PHARES. Thank you very much. I would like to thank the chairman and the members of the committee for extending this invitation to me to testify on foreign assistance and the struggle against terrorism.

For almost a decade the United States has been involved in a confrontation with terror forces overseas and at home. During these years, huge amounts of foreign aid has been dispensed in the countries where these forces operate and produce radicalizations.

The first three quick questions are: Has that aid, strategically speaking, and humanitarian assistance been helpful in countering, reducing, and even containing radicalization, let alone terrorist activities and influence? The short answer is no.

The second question: Should we use foreign aid and humanitarian assistance in our global strategy to mitigate extremism and enhance counterterrorism? The short answer, of course.

The third question: Are there problems and oppositions in using foreign aid? Do we encounter resistance when we are engaging this policy? The short answer, yes, they were; and, yes, they are.

Based on my 30 years of experience before the Cold War, after the end of the Cold War, and after 9/11, and in engaging with ideologues who basically refuse the idea of American foreign aid, interaction with European lawmakers and experts who have a parallel experience in extending foreign aid and the resistance to it, and of course after having consulted on strategic communications across U.S.—defense, national security, and diplomacy since 9/11—I would raise five points related to the issue and make my recommendations.

Point one is the use of aid. Point two is, do we have the resources? Point three, are there forces countering our messaging? Point four, what is the state of our strategic communications in response to that challenge? Point five, what are the actual options in branding that we have and recommendations?

Point number one. USAID must be used basically to ensure that these societies engaged in resistance or in struggles against terrorist forces would actually benefit from our help, and, at the same time, are backed by the international community. USAID is one of the most strategic tools the United States has in the struggle against terrorism and radicalization. It may, if well used and smartly, avoid future confrontations.

Point number two. Do we have the resources? We have a vast panoply of agencies and resources in the existing agencies. My esti-

mate is that what we have now exceeds what we need to counter the narrative.

So the question is, how come we failed? There are two answers. One has to do with the forces that are countering the U.S. messaging. And, second, the failure of U.S. strategic communications in assisting in this messaging.

The forces countering U.S. messaging are simply wide, global, interconnected, and focused on rejecting the message that goes along with U.S. aid. They are regimes, they are organizations, and they are media that are coming together in an effort, a global effort, not always a coordinated effort, to basically sink our message.

Among the regimes that have been openly involved in countering the U.S. message that comes with United States aid are certainly Sudan, Iran, and Syria. I have examples I can use in the Q and A section.

Among the organizations that have been able to counter the U.S. message that comes with U.S. aid, you have two types: Those that are in control of areas, specific areas, and those that are influential in those specific areas. Type one examples: Hamas in Gaza; Hezbollah in Lebanon; Taliban in the Pakistani-held areas inside the northwestern provinces; an example also in Somalia, Shababal jihad, in those areas, and I could expand on that later.

These organizations have been able to deploy a vast array of means and ways to either counter the message or appropriate the message, let alone to control the distribution system.

Other organizations that are not dominant in their areas or their countries, such as Salafist, neo-Wahabis, Deobandis, and multiple countries—and I would indicate the weakest countries would be the Safal areas in Africa stretching from Chad to Senegal—have also been very effective in countering our message.

So, basically, the strategic global success of the United States depends, on the one hand, on the capacity of these forces in countering our message. The examples of success of U.S. messaging was in the tsunami case, as it was mentioned. But keep in mind that 1 week after the rate went up, a collaboration between various Salafi forces in Indonesia and the intense activity by media that counters our message basically killed the progress that was made.

The same could be said about Hezbollah in Lebanon.

Mr. CONNOLLY. Dr. Phares, I am going to have to ask you to sum up.

Mr. PHARES. I would only mention here that strategic communication has to be reviewed both in regard to the cultural advising body that we have, and with regard to the U.S.-funded media that we also have.

Branding, we have three options: One is to not brand at all, and that would give the adversaries the ground; blind branding; that is, to put the flag but not the message, and that would return to not branding.

I would recommend strongly to use the strategy or the option of strategic branding; that is, branding but, of course, have a strategic messaging that would go with it.

[The prepared statement of Mr. Phares follows:]

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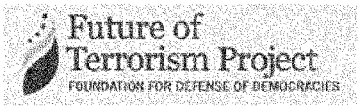


Subcommittee on Terrorism, Nonproliferation and Trade

BRAD SHERMAN (D-CA), CHAIRMAN

HEARING

Flag on the Bag?:

Foreign Assistance and the Struggle Against Terrorism

Professor Walid Phares
Director, Future of Terrorism Project, Foundation for Defense of Democracies

Strategic Branding as a Tool in the Struggle Against Terrorism

Executive Summary:

The United States' generous support overseas, branded as U.S. Aid, must not be perceived as bribes from an alien government to nations suspicious of Washington's policies. It must be presented as the American people assisting societies in peril. The U.S. government must serve as a liaison between its citizens and those receiving aid and comfort. The assistance should be open, transparent, and branded unapologetically as solidarity with peoples in jeopardy, particularly when the threat comes from terrorism and radical forces. The U.S. government's duty is to ensure that the recipients hear that message and that aid is remitted to the victims via a native civil resistance against terror, partnering with the American people.

Mr. Chairman, and members of the subcommittee, thank you for inviting me to testify on foreign assistance and the struggle against terrorism.

In order to define the problem and to present my analysis, I would like to address five central questions:

1. Can and should U.S. aid be used as a tool in the struggle with terrorist forces?
2. Does U.S. aid sufficiently cover the areas plagued with terror activities?
3. Are the adversaries' counter-narratives undermining aid and assistance policies?
4. Have U.S. strategic communications been successful in countering the jihadi narrative?
5. How should branding be handled in order to most effectively defeat jihadist efforts?

1. Should U.S. aid be used as a tool in the struggle with terror forces?

The conceptual debate about using foreign aid and assistance for the purpose of developing and securing U.S. national interests is complex and involves a set of philosophical, economic and political issues. There are several schools of thought that address the choices that can be made by U.S. policy makers. Some support the idea that America can and must seize any opportunity to use its resources to satisfy its immediate national interests. Others argue that the United States has an overarching interest in the improvement of socio-economic conditions around the world with the promise of long-term diplomatic gains. Hence, some support the notion that U.S. aid should be applied to address specific and immediate U.S. international concerns, while others

support a more benevolent approach - helping those from whom we may not expect return, as an American humanitarian duty.

However, this debate, with its equally compelling points, must be superseded by a more pressing equation. The United States is engaged in a confrontation with forces aiming to harm its national security and the security of its allies around the world. In addition, these forces, networks, regimes and ideologies are also engaged in violence and suppression of basic freedoms in civil societies around the world. Hence, it is logical in this specific context that the U.S. government uses the tools at its disposal to achieve concurrent and non-contradictive goals:

a. Send foreign aid and extend assistance to societies in peril; particularly those targeted by terror forces and/or those that are subjected to ideological radicalization.

b. Civil societies that received U.S. aid that are already targeted by terror networks and must perceive these aid programs as a sign of international solidarity with their position.

c. Foreign aid extended to communities in peril, in the context of the conflict with the terror forces. American help to other nations must be part of the global efforts to rescue the weaker element of these communities, insuring the latter's resistance to oppression, radicalization and terrorism.

In short, foreign aid must be used as a tool in confrontation with terrorist forces and as a means to curb the expansion of radicalization. Not using humanitarian resources in this precise way will cause U.S. national interests to suffer and will deprive the most vulnerable populations of an opportunity to gain strength in the confrontation with terrorist organizations. In other words, we must give vulnerable populations the means to be self reliant rather than leaving them to rely on terrorist groups for their security and welfare.

2. Does U.S. aid sufficiently cover regions affected by terrorist activity?

U.S. aid and other forms of humanitarian assistance have been heavily committed to countries where the terrorist groups have been operational. This addresses the primary concern in the process of using branded humanitarian aid as a means of diminishing the power of terrorist organizations over afflicted populations.

a. The main agencies dispensing assistance are: USAID, The Millennium Challenge Corporation (MCC), PEPFAR (the President's Emergency Program for AIDS Relief), the Department of Defense, the Department of Agriculture. These are operating in the areas which are relevant to the countries where terror forces and radicalization networks operate.

b. U.S. assistance to civil societies in peril from terror and radicalization also covers two of the critical theaters in which U.S. forces are operating: Afghanistan and Iraq.

c. Examples of countries and areas benefiting from the dissemination of resources and training that are also subjected to the influence of terror networks and radicalizing agents are: Indonesia, Egypt, Yemen, Pakistan, Bangladesh, Nigeria, Algeria, Jordan, Morocco, Mauritania, Somalia, Chad, Lebanon, and the Palestinian Territories.

3. Are the adversaries' counter-narratives undermining aid and assistance policies?

The jihadist and radical entities that have been challenging the U.S. and its allies have maintained a critical campaign against foreign aid; saying that it is a form of domination, neocolonialism, or, in jihadi terms, *Kuffar*-policies. Jihadi ideologues have framed U.S. assistance programs as politically motivated. Flagged or not, material and resources sent by U.S. agencies have been, and will continue to be, described by the opponents as an attempt to seek influence and dominance of weak segments of Arab and Muslim societies. The strategic goal of terror groups and radical networks is to deny civil societies the ability to perceive U.S. charitable and humanitarian assistance in positive ways. Our opponents have, and will continue, to wage systematic propaganda warfare against U.S. humanitarian assistance in all countries and regions where they can maintain an influence.

The propaganda strategies and tactics of terror and radical forces are diverse and are adapted to the terrain, circumstances, and types of U.S. aid initiatives. There are two main jihadist strategies regarding U.S. aid: those waged by oppressive regimes and those by terrorist networks.

A. Regimes:

Regimes that follow a form of jihadi ideology (such as Salafism, Khomeinism or Baathism) are usually hostile to U.S. influence. Examples include:

I. Sudan's regime, which is involved in the Darfur Genocide, openly accepts American assistance but instructs its regime-linked agencies and cadres to criticize U.S. humanitarian aid. Sudanese officials often refrain from openly criticizing this support in western media; however in the Arab media, the ruling party does attack American aid for political means. The aim is to intimidate Sudanese citizens as they receive this help and warn them from being involved in the "social, intellectual and democratic components" of the aid. This is especially crucial for the regime, as large amounts of international aid have been funneled into Sudan in the past several years.

At a rally in Khartoum in March 2009, Sudanese President and National Congress Party member, Omar al-Bashir said: "We need to clear our country of any spies...within a year, we don't want to see any foreign aid group dealing with a Sudanese citizen...if they want to bring relief, let them drop it at airports or seaports. Let the national organisations deal with our citizens."

II. Syria's regime supports terror organizations. U.S. aid in Syria is limited to civil society groups and Iraqi refugees. Syrian authorities threaten Syria-based NGOs, particularly human rights and educational groups when they receive aid or training that is outside the Baathist

auspices. Authorities do not openly blast American aid but regime-sponsored propagandists criticize it, saying that it is a component of a "Zionist" conspiracy.

III. The Iranian regime fully opposes U.S. policies across the region, including U.S. aid programs to the Middle East and other Muslim countries. Iran's official and foreign-funded propaganda channels openly attack American humanitarian aid as a scheme with which to dominate.

In President Mahmoud Ahmadinejad's speech before the UN General Assembly in September 2009, he stated his views on American humanitarian efforts quite unmistakably: "The theories of development that are in line with the hegemonic system and not in accordance with the true needs of humankind and human societies, have turned into repetitive and bland tools for assimilation of economics, expanding hegemonic domination, destroying environment and destroying the social solidarity of nations."

IV. While Qatar has remained uncritical of U.S. aid publicly, its government and oil industries fund and provide hosting to one of the most acerb critics of U.S. foreign aid: the al Jazeera Arabic Channel.

B. Organizations:

There are two types of terrorist or radical organizations critical of U.S. foreign aid: those who dominate large areas militarily within a country and those who are present and influential within a country but not in open control of specific areas.

I. *Dominant Organizations:*

Hamas, the dominant militia in the Gaza strip officially welcomes international aid, but its propagandists criticize U.S. policies, in general and humanitarian aid, in particular. Hamas ensures that the distribution of aid occurs via groups set up by the organization itself. However, the U.S. often aims to restrict Hamas' access to aid, which was made evident during the 2009 Israeli invasion of the Gaza strip when U.S. aid was distributed to the Palestinian Authority controlled by rival group, Fatah.

Hezbollah, the dominant militia in the Bekaa Valley and Southern Lebanon, allows U.S. aid to be distributed in its areas of control but ensures the organization has jurisdiction over which entities receive the aid. Hezbollah's propagandists are critical of U.S. policies and humanitarian assistance, especially with regards to Israeli relations; Hezbollah most often blasts the U.S. for its large amount of aid to Israel.

The Taliban in Pakistan control areas where U.S. aid is distributed, such as Waziristan and other regions. In these zones, the Taliban permits physical distribution but controls the message tightly. The Taliban's propaganda channels attack U.S. policies and foreign aid.

Even prior to September 11, 2001, the United Nations High Commission for Refugees was reporting that the Taliban's "religious police, pretending to observe the rules of Islam, [were] creating intolerable conditions for the work of foreign humanitarian missions. There [were]

increasingly numerous cases when foreign members of such missions and their Afghan employees were intimidated, arrested and even manhandled." Marc Kaufman wrote in *The Washington Post* in October 2001, that "Taliban soldiers disrupted the humanitarian aid effort by expropriating over half of the food designated for distribution to starving Afghans by the World Food Program…[other reports suggest] "that the Taliban plan to poison U.S. food-drop packages and blame the United States."

One can also categorize the *Shabab al Mujahidin* of Somalia in a similar category.

II. *Non-Dominant Organizations*

Jihadist, mostly Salafist and Wahabi organizations and factions operating within sovereign countries under national governments, adopt comparable narratives regarding U.S. aid. While they generally allow the dissemination of resources, at the same time they seek to control the perception of the populations receiving the aid by inserting themselves in the physical distribution process. They are able to intercept the receipt of any pro-U.S. message and replace it with the impression that they are the ones rescuing people from peril.

In countries such as Indonesia, Pakistan (outside the Taliban-dominated areas), Bangladesh, Egypt, Jordan, Morocco, Mali, Mauritania, Chad, and others, U.S. aid is processed under the protection of governments. However, the jihadists are thorough in their effort to decimate the U.S.'s strategic message behind the humanitarian assistance. The anti-American propaganda is seen and heard throughout the process of aid distribution and any attempts at cultural engagement. It is executed via a plethora of means, including physical penetration of the networks of U.S. aid distribution and an ideological web that discredits the U.S.'s statements about humanitarian intentions. Their outlets vary from country to country, depending on the various organizations. Among the means they use are the internet, operatives, and media.

C. Media Propaganda

In addition to regimes and organizations, a web of global media serves as a conveyer of anti-American and anti-U.S. aid messages. It includes a number of satellite television stations, radio stations, newspapers, and web sites. To understand the messages against the goals of U.S. humanitarian assistance, one has to understand the wider web waging a war of ideas against the U.S. role as a whole. Following are just a few examples:

I. *Al Jazeera*

For many years, talk shows on this network have featured systematic attacks against U.S. foreign aid. The criticism ranges from the promotion of ideologically grounded narrative placing U.S. aid in an unacceptable category of charitable actions, to political accusations - U.S. aid programs are covers for CIA agents or other covert operations that are trying to gain access to Sudan, Somalia, Pakistan and Indonesia. The network intensively promotes Qatari and international Islamic humanitarian and relief funds and organizations instead.

II. *Al Aaalam* and *al Manar*

Al Aalam, owned by Iran, and *al Manar*, Hezbollah's TV station, have both adopted similar rhetoric regarding U.S. aid and humanitarian assistance.

III. *Jihadi* web sites

A number of Salafi and Khomeinist web sites blast the image of U.S. intentions of aid and humanitarian assistance.

The global strategic goal in the jihadist and anti-American narrative is to delegitimize the cultural essence of U.S. messages. The gist of the hostile agenda is that the United States is not performing benevolent actions on the humanitarian level; rather, it is practicing insidious propaganda to further its own agenda. The jihadi message is that as long as Washington does not change its policies in Iraq, Afghanistan, and other Muslim countries, or change its posture towards Israel, any aid coming from the U.S. is suspicious.

One clarifying example is the immediate and efficient distribution of U.S. aid to the shores of Indonesia in the aftermath of the tsunami. In the first hours and days of the relief operations, the local communities reacted favorably, as was reflected by Indonesian web sites and humanitarian groups inside the country and in the rest of the Muslim world. This genuine positive reaction took place in the midst of a silence by the jihadi propagandists. U.S. action was implemented quickly and overtly and the devastation was too extreme for the jihadists to immediately respond. Also, a quick negative reaction on the part of the jihadis would likely have backfired. But as soon as the news receded, and with the return of the militant activists to the devastated zones, anti-American propaganda resurfaced. This discrediting process was pushed from global media down to local jihadi activists.

4. Have U.S. strategic communications been successful in countering the jihadi narrative?

Combining analysis and observation over the past eight years of the U.S. strategic communications effort to maximize the effects of U.S. aid in the countries and regions where terror forces and radical networks are operating, I have come to the conclusion that these efforts have failed. While the organization, dissemination and technical components of the network of operation have scored several successes, the specific efforts in preparing for aid initiatives and the effort to respond to propaganda have not been fruitful. The combined hostile networks discussed so far in this testimony were able to comprehensively criticize U.S. humanitarian campaigns. U.S. efforts to sway hearts and minds of societies in these regions did not result in a significant change in attitudes; not because of the shortcomings in the material process but in the failure in American strategic communications and the efficacy of the oppositions' smear campaigns.

Following, are glimpses of the problem:

I. *The Cultural Advising Body*

A review must be conducted of the so-called "Cultural Advising" entities employed by, or contracted by the U.S. government. The research and advice on responding to jihadists that is given to the U.S. government is, per my findings, compromised. In its bulk, the "cultural advising" body within the various layers of the U.S. government does not believe that the U.S. should undertake efforts to counter jihadi propaganda ideologically. On the contrary, the conclusion often reached by most of the entities or advisors we contract is to disengage from the battle of ideas and leave the societies we are aiding to handle the radicals by themselves.

II. *U.S.-Funded Media*

A review of the narrative and argumentation used by most U.S.-funded media also shows a lack of connection to the societies we are seeking to persuade. The operations of foreign aid not only need branding, but also a massive program of support through media and educational networks. Most U.S.-funded media refrains from strategically supporting the moderate, democracy-seeking entities, dissidents and liberal movements within the areas where U.S. aid is disseminated. If support for these potential partners or their views were emphasized, they would be more likely to defend and promote a partnership with the United States. I have often witnessed the arguments of propagandists being played on American-funded media, while dynamic and strong pro-democracy opinions were not aired.

5. Branding Options

This leads us to consider options for branding of U.S. foreign aid and humanitarian assistance. In an environment where there will likely be confrontation with radical forces that are employing sophisticated propaganda campaigns, the options are different from providing humanitarian assistance while operating in stable political conditions. One overarching parameter to consider when deciding which option to select is that there are organized global forces which oppose U.S. efforts and work against U.S. national security. Hence, the affected populations' reaction to U.S. aid policies is not merely a natural social reaction, but in fact an organized, stimulated and coordinated effort orchestrated by our opposition.

Hence, when we consider an option we need to keep in mind that the reactions of the beneficiary populations are profoundly impacted, and even shepherded by our foes. Dramatically, these interactions are taking place in a context where the radicals are organized and striking back and our strategic communications operations are inefficient, if not compromised.

Therefore, the main goal of the jihadists is to convince the United States government of the following:

a. Not to extend foreign aid.
b. If foreign aid is extended, then it should not be flagged.
c. If the aid is flagged, then it should not be accompanied with aggressive strategic communications promoting U.S. values and interests.

Consequently, what are the options the United States has for branding its foreign aid?

I. Not Branding

If the U.S. does not brand its foreign assistance the adversaries would seize the ground, control the cultural messaging, and eventually control parts of the distribution. If American aid is sent via other agencies, our adversaries will determine the values under which the distribution will take place. The U.S. will lose its ability to use foreign aid in its global strategy to encourage moral, psychological, social and political resistance against terrorism. The radical networks will be able to fully control the political message that accompanies the unlabeled aid.

II. Blind Branding

If the U.S. were to brand its product by putting a flag on aid packages, but do so without accompanying that aid with a strategic marketing program, that would become a "blind branding," campaign, which would ultimately result in failure to reach the U.S. government's strategic goals in conflict areas.

III. Strategic Branding

A comprehensive branding campaign must be designed to integrate all resources at the disposal of the U.S. government; from diplomacy, strategic communications, media, and a close alliance with NGOs on the ground. The core objective of strategic branding is to transform the perception of American efforts into "needed, wanted and sought" resources.

Recommendations:

I would strongly recommend the option of "Strategic Branding." This option would require the following steps:

a. A thorough review of the global and strategic communications resources available to the United States. This requires the formation of a special committee to present findings regarding the strategies of jihadis, and a presentation of the precise tools and methods needed to counter them.

b. A review of the U.S.-funded media, in terms of the ability of various outlets to deliver a strong, successful and strategic message to audiences in the countries benefitted by U.S. assistance.

c. A review of U.S. strategic communications, ranging from civilian to military agencies and institutions, to determine new strategies in engagement with the appropriate NGOs and civil society segments which will engage in partnership with the United States.

Dr. Walid Phares
Washington, D.C.
November 18, 2009

Mr. CONNOLLY. Thank you, Dr. Phares.

Samuel Worthington has been president and CEO of InterAction, the Nation's largest alliance of U.S.-based international relief and development NGOs, that is nongovernmental organizations, since October 2006. Mr. Worthington serves on the Advisory Committee for Voluntary Foreign Assistance at the U.S. Agency for International Development, and also sits on the board of directors for the U.S. Global Leadership Campaign and the Alliance to End Hunger. Welcome, Mr. Worthington.

STATEMENT OF MR. SAMUEL WORTHINGTON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, INTERACTION

Mr. WORTHINGTON. Thank you, Mr. Connolly. Thank you very much for this opportunity to address you today and to talk a little bit about foreign assistance and the role that the U.S. NGO community plays in spreading generosity around the world. As mentioned, InterAction is the largest coalition of U.S. nonprofits involved in relief and development. We have more than 185 members operating in every developing country, in many ways, with 106,000 staff, many of them mostly local, working to overcome poverty, exclusion, and suffering.

Our community supports the marking and branding of U.S. foreign assistance. We recognize it as an important tool of America's image overseas. We routinely mark "from the American people" on the programs we are engaged with in partnership with the American Government. We are proud to express the compassion of the American people. And it is important to note this engagement of Americans that most of the resources received from our community, over 70 percent, come directly from private contributions. We are engaged in villages and communities overseas, in many ways thanks to an outpouring of the American people.

The current marking and brandy policy of U.S. Government represents a workable and fair balance to ensure foreign assistance is properly credited to a source. At the same time, with members of our staff killed, threatened, or kidnapped, we do not want to compromise the safety of U.S. citizens, our national staff, or partners as they operate and work on the ground, particularly with local groups under authoritarian regimes.

There are situations to establish exemptions in these areas, and it is important to recognize that in those countries that have authoritarian regimes, the ability to rest, to engage in aid, depends on our ability of having aid workers on the ground. These are rare exceptions. They are waivers that, however, are critical to the safety of our staff. This is a very real danger. In 2008, 206 humanitarian aid workers were killed, kidnapped, or seriously injured; 28 of those were employees of our member organizations.

I saw this firsthand when I visited our members' programs in El Fasher, Darfur, traveling through the center of town with a large "No Gun" symbol on our vehicle. In this kind of situation, it is not just the American flag that will draw hostile criminal attention, but any flag of any wealthy nation.

And just some points in conclusion. The members of InterAction believe that marking and branding of U.S. Government-funded programs overseas is important and vital to shaping the goodwill and

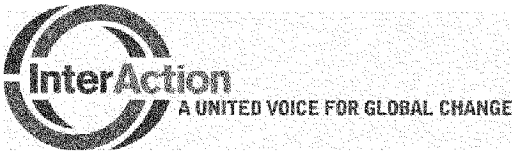
generosity of Americans overseas and to sharing that with the populations we try to reach.

At the same time, we see that we have an important responsibility for the safety of our employees, and recognize that there are circumstances where a population may receive something, where they will feel afraid to be attacked by a third party if it is marked or branded. In these cases, where the marking of goods and programming as distinctly American, places the lives of our employees at additional risk, we will take advantage of these rare exceptions provided by the U.S. Government regulations to have waivers to these requirements.

It is crucial, as organizations that operate in the world's most dangerous places, that we do not cede the dangerous streets of this world to extremists, and see the utility of program that we run as powerful tools in fostering a positive view of the American people. In many ways, nonprofits operating overseas are a face of America operating in the most difficult circumstances, and this type of humanitarian assistance or development aid programs overseas are two very powerful weapons in what has been known as the war on terror.

Marking and branding are important, but they are simply one tool in ensuring that this presence of nonprofits overseas exists and that as we, as a community of Americans, often with our own resources, try to show our Nation's character and values in very difficult circumstances are able to operate. Thank you.

[The prepared statement of Mr. Worthington follows:]



Testimony of Samuel A. Worthington
President & CEO, InterAction

House Committee on Foreign Affairs, Subcommittee on Terrorism, Nonproliferation and Trade

Hearing on, "Flag on the Bag? Foreign Assistance and the Struggle Against Terrorism"
November 18, 2009

Chairman Sherman, Ranking Member Royce, members of the Committee, thank you for the opportunity to be here this morning, and to discuss the role of U.S. foreign assistance in the war on terror.

InterAction is the largest coalition of U.S.-based international relief and development non-governmental organizations. With more than 185 members operating in every developing country in the world, we work to overcome poverty, exclusion and suffering by advancing basic dignity for all. Our members include service delivery and advocacy organizations, focusing on health, hunger, economic development, the environment, refugee crises, and humanitarian emergencies.

Today I will focus my comments on the role that marking and branding of U.S. assistance plays in the war on terror, its impact on projects on the ground and how it affects humanitarian worker security. Secretary of State Clinton has framed U.S. foreign policy tools as the three D's: defense, diplomacy and development. I will be addressing one aspect of the third D, "development" and how the U.S. international non-profit community plays a role in promoting a positive American image in very difficult environments and how and when we take steps to mark and brand U.S. government funded foreign assistance efforts.

InterAction members, made up of non-profits reflecting America's generosity and diversity, were key partners of the U.S. government when the policy on marking and branding was established several years ago. The voice of the U.S. international non-profit community (U.S. NGOs/PVOs) was heard during the deliberations leading to the creation of the current policy, resulting in a marking and branding policy that is workable and that ensures that U.S. foreign assistance resources are properly credited to their source. Whether the projects we implement are funded by taxpayers or by direct charitable contributions, we are proud to express the compassion of the American people. We understand the value of marking and branding U.S. foreign assistance resources but at the same time, with our member staff being killed, threatened

or kidnapped, we should not compromise the safety of U.S. citizens, our national staff, and their partners in the field by misapplying the policy.

Our community supports the marking and branding of foreign assistance resources and recognizes it as an important tool in advancing America's image overseas; we routinely mark and brand the work and products funded by U.S. Agency for Development (USAID) grants and grants from other U.S. federal agencies. We recognize that, in many instances, marking and branding promotes the U.S. as a force for good in our world. For example, many countries – and the U.S. in particular – responded with overwhelming generosity in the aftermath of the dreadful 2004 tsunami. During this response, U.S. government resources were branded as coming from the American people. Billions of dollars of private donations were also clearly understood as coming from Americans. I am confident that properly communicating American's outpouring of compassion and assistance in the wake of this unprecedented natural disaster helped improve America's image in Indonesia.

While there are many positive examples – like the response to the 2004 tsunami aftermath and countless projects across the developing world – there are situations in which the established exemptions to the policy are critical in allowing the U.S. to operate in environments in which marking and branding might put its foreign assistance resources and implementing partners in harm's way. These rare exceptions and waivers remain critical to the success of the U.S. marking and branding policy. They cover a variety of scenarios including:

- When the marking and branding would compromise the intrinsic independence or neutrality of a program or materials where such independence or neutrality is inherently important to the success of the effort.
- When the marking and branding would undercut host-country governments.
- When the marking and branding would offend local cultural or social norms.
- When marking would pose compelling political, safety, or security concerns. [1]

These are not just abstract possibilities but represent the realities that many of the U.S. government's partners implementing foreign assistance face. Every year, InterAction recognizes member staff who have lost their lives while trying to advance the charitable mission of U.S. NGOs. Sadly, in 2008, 260 humanitarian aid workers were killed, kidnapped or seriously injured in violent attacks. Twenty-eight of those who lost their lives worked for InterAction members.

I'll use the experience of one of InterAction's member organizations operating in the Saada area of Yemen as an example. After much internal deliberation, this U.S. PVO concluded that marking food on commodities in this area posed a major security risk for staff in the field and the agency generally. In the recent past there have been lethal attacks on various western institutions and politically motivated kidnappings. Extremist groups are active in Yemen and public anti-American graffiti is on display in Saada. After its internal review, the USAID mission in Yemen stated in writing its support for the U.S. NGO's request that commodities should not be marked for security reasons.

[1] http://www.usaid.gov/business/business_opportunities/cib/pdf/aapd05_11.pdf

This story underscores the generally positive relationship that exists between the U.S. government and InterAction members and the wider U.S.-based relief and development NGO community. Then, as now, the InterAction community is supportive of marking and branding when employed with important, and possibly life-saving, exceptions provided by the U.S. government. As the experience of the InterAction member in Yemen exemplifies, U.S. foreign assistance partners often work in politically unstable areas and where virulent anti-American sentiment exists. At times, U.S. NGOs are the only American presence in a particular district. In these environments, the inherent danger of marking and branding U.S. foreign assistance resources is not a matter of ungrateful recipients but rather pressures from extremist political or criminal elements. Hostile third-parties often will identify targets based on a perceived connection to U.S.-national interests.

Just after my tenure as president of Plan USA, the global organization's Mansehra, Pakistan field office was targeted by a coordinated terrorist attack with small arms, hand grenades and explosives. In the attack, four local staff lost their lives and many more were injured. Plan USA is a private voluntary organization and the vast majority of its resources depend on generous private contributions; nevertheless the facilities in Mansehra were targeted for the simple fact that they were occupied by the staff of a 'western' organization.

It is in environments like this where InterAction members who administer public and private U.S. foreign assistance resources must establish themselves as neutral and independent actors simply to remain functioning humanitarian organizations. Indeed, in order to partner most effectively with local communities and ensure that all but a tiny fraction of resources go directly to recipients and their communities, U.S. NGOs do not hire major security firms or otherwise carry guns or other weapons. Instead, our community relies on decades of well-established relationships with local partners and reputations as impartial and independent actors to keep our staff safe and operations secure. The effectiveness of U.S. investments in foreign assistance projects and – in cases like that of Plan Pakistan – the safety of staff and beneficiaries depends on a certain level of neutrality and independence. It is the only way we avoid ceding the dangerous streets of the world to extremist voices.

Criminally-motivated third parties also present a danger to U.S. foreign assistance actors. While visiting InterAction member sites in El Fasher, Darfur, my colleagues and I traveled in dated, dilapidated vehicles that bore no symbols, logos or words other than the red circle symbol with a line through it clearly stating: "NO GUNS." In environments where there is little to no rule of law and criminal elements target those who they perceive to be associated with wealthy international players, it is imperative for the reasons stated above – staff safety and continuity of operations – that U.S. NGOs and other development actors blend in as much as possible.

This is not to say that the goodwill and generosity of Americans should not be properly displayed. These examples are exceptions to the important rule of marking our foreign assistance. Particularly during a time in which Americans are becoming increasingly connected and engaged in the world, we see before us a critical opportunity to harness the power of such American engagement and generosity that advance peace and well-being for all.

This is especially evident when one considers that the Peace Corps just announced at the end of October that the agency had received 15,386 applications in fiscal year 2009, the largest amount of applications since the agency began electronically recording applications in 1998. That number is an 18 percent increase from fiscal year 2008. Millions of American's travel overseas to engage in development and humanitarian efforts. Overall, up to 1.6 million American Christians take part in overseas mission trips each year, with trips averaging about one week in length, according to research by Robert Wuthnow, a sociologist of religion at Princeton University. He estimates churches spend $2.4 billion on these trips each year, and other researchers put the numbers even higher.[2] And according to GoAbroad.com, an Internet site designed to help match interested travelers with volunteer opportunities overseas, nearly 1 million Americans search their site each month for opportunities to go abroad and serve the poor through our broader community.

This desire to engage, rooted in American generosity is among the greatest assets the U.S. has in the fight against terrorism. In 2006, the InterAction community received $5.9 billion from private funding sources – including foundations, corporations, and over 13.6 million donors – and $2.7 billion from the U.S. government, for a total of over $8.6 billion for international programs. In addition, for 2006 InterAction members reported spending 92 percent ($8.0 billion) of that amount for program services in more than 130 developing countries.

Our community is part of the human face of the American people overseas; we show America's compassion when distributing food to an internally displaced family in an Angolan village; we personify American's technical and financial know-how when a Macedonian man accesses critical microcredit financing to start-up his own business. In addition, InterAction members, and their employees, work closely with the U.S. government both in Washington and throughout the world. But our members' most enduring and direct relationship is with individual Americans who, through their private donations, support and sustain thousands programs across the globe. We are entrusted by millions of private donors to educate children, help families improve their livelihoods, and provide clean water to villages.

The generosity of the American people, as well as the resources that the U.S. government distributes through programs to the poor around the world is an important tool in the fight against terrorism. Our work is about changing and saving lives. The byproduct of our work is often increased trust from the villages where we work and a heightened appreciation of the assistance we provide leading to more stable and secure conditions on the ground.

In order to effectively undermine the roots of extremism and suspicion, it is imperative that the beneficiaries of U.S. foreign assistance know the spirit of the American energy for good. To achieve our foreign policy goals – diplomatic, security or humanitarian – we must be strategic in applying policies like marking and branding. In places where displaying overt connections to the U.S. would put lives and programs at risk, there are other, sometimes far better, ways to ensure that populations know that the foreign assistance efforts come from the American people.

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[2] http://www.faithandleadership.com/features/articles/maturing-missions?page=0,0

Word of mouth is a powerful tool toward communicating this message. In the wake of Pakistan's devastating October 2005 earthquake, the U.S. launched an overwhelming response. As my fellow witness Ken Ballen found in polling conducted after the tragic event, "79 percent of self-identified bin Laden supporters thought well of the United States because of [this] humanitarian mission."[3] I will leave the discussion of these findings to Mr. Ballen except to note that this emergency – and the goodwill it generated – occurred before USAID implemented its comprehensive marking and branding policy in January 2007. Before the current policy went into effect, labeling of U.S. foreign assistance was inconsistent. However, despite the lack of marking and branding, the Pakistani beneficiaries still recognized that the U.S. played a key role in the response.

U.S. NGOs rely on partnerships with local communities to do good development and this in turn promotes positive messages and perceptions of American generosity and compassion. This closeness to the populations we are there to serve enables us to identify the best modes to influence the perceptions of local communities. For example, one of InterAction's member organizations was undertaking water-sanitation activities in an area in Kenya which borders Somalia and considered seeking an exemption from marking and branding requirements given the sensitivities of the location. But before recommending such action, the NGO solicited the views of its beneficiaries. As it turns out, the beneficiaries felt positively about the U.S. NGO using banners and plaques with the USAID brand. The main lesson for this U.S. NGO was that implementers of U.S. foreign assistance are constantly being challenged to deal with the thin line between perceived and real threats. And given the degree to which situations in recipient communities change rapidly and frequently, U.S. NGOs must continue to monitor and evaluate scenarios so that they are not operating on an outdated perspective of the local environment. I use this story to illustrate that there are times when marking and branding is perfectly appropriate, even in difficult environments, when done in a culturally and politically informed way. It also underscores the distinct advantages of partnership between international NGOs and local communities. The beneficiaries of our programs know the U.S. is the source of assistance simply because of the relationship that exists between them and U.S. PVO implementers, oftentimes making marking and branding superfluous.

The InterAction community sees relief and development activities as more than simply handing a bag of rice to beneficiaries; instead, the way we do development – engaging in a dialogue with local communities to best tailor programs to meet their needs and help them build their long-term capacity – ensures that beneficiaries know that American resources are a tremendous force for good in their communities and throughout the world.

Even in locations in which marking and branding isn't prudent for security reasons, we believe it is necessary for U.S. NGOs to continue working, so that over the long term, our presence translates into lasting respect for the generosity of the American government and the American people. In many of the most dangerous places in the world, NGOs are the only American civilian presence. I believe we should do everything in our power to enable the U.S. government's implementing partners to better represent our ideals of compassion and generosity. We must also acknowledge the limitations of marking to influence public opinion. A change in U.S. foreign

[3] http://www.washingtonmonthly.com/features/2008/0805.ballen.html

policy or actions that are not well received by a population can rapidly undo all the good will that is accrued by the generosity of American aid.

Situations like the one in Yemen that I cited earlier illustrate the importance of the exceptions provided USAID. Without such exceptions, in some of the most unstable and insecure environments, NGOs would be faced with the choice of not implementing programs because of marking and branding requirements, leaving populations insecure and potentially vulnerable to hostile ideologies. Our community is sometimes confronted by difficult circumstances that call for more nuanced approaches than simply printing a logo on a bag of rice or marking a truck with the U.S. flag. If we can make that distinction in very difficult environments and see the presence of U.S. NGOs as part of the American brand, then vulnerable populations will continue to benefit from American benevolence in our complex and diverse twenty-first century world. And our collective development and humanitarian relief efforts will earn us the respect and partnership of populations around the globe.

To conclude, the members of InterAction believe that marking and branding of U.S. government funded programs overseas is important and vital to sharing the goodwill and generosity of the American people. We also believe that we have an important responsibility for the safety of our employees. In cases where the marking of goods and programming as distinctly American places the lives of our employees at additional risk, we will take advantage of the rare exceptions to these requirements provided by U.S. government regulations. We prefer not to cede the dangerous streets of this world to extremists; we see the utility of the programs we run as a powerful tool in fostering a more positive view of the American people. Humanitarian assistance and development aid programs overseas are two very powerful assets that we have in the war on terror. Marking and branding are important but they are just tools to ensure that an American non-profit presence overseas speaks to our nation's character and values.

Chairman Sherman, Ranking Member Royce, and members of the Committee, I thank you for the opportunity to testify today on this important issue. I am happy now to answer any questions you have.

Mr. CONNOLLY. Thank you, Mr. Worthington.

Ken Ballen. Ken Ballen is the president of Terror Free Tomorrow. During his more than 20 years of experience in international relations, he has advised Members of Congress on policy initiatives regarding crime prevention and security, intelligence oversight, and select national security measures. Welcome, Mr. Ballen.

STATEMENT OF KENNETH BALLEN, ESQ., PRESIDENT, TERROR FREE TOMORROW

Mr. BALLEN. Thank you very much, Mr. Chairman. And thank you for holding this hearing, trying to get at the facts behind what occurs in other countries and set policy based on those facts. That is what we have been doing since 2004.

Our mission at Terror Free Tomorrow is to understand why people support extremism and, as importantly, why they might oppose it. We have conducted over 30 public opinion surveys in Muslim majority nations, interviewed more than 100 extremists. My focus today, however, is not on why an individual may become a terrorist or extremist, but how public opinion matters.

There are three issues. One, why people support al-Qaeda or extremism? What can the United States do about it? And, third, why does it matter? And I would agree with the ranking member. Sometimes we have too much of an American-centric view on these matters, and oftentimes public opinion in other nations is driven by internal factors having little to do with the United States. Nonetheless, we must act.

And that brings up an important point. When people in surveys say they are sympathetic to bin Laden or al-Qaeda, what does it really mean? Is that support a deeply held ideological belief, or is it more in the nature of a protest vote? Are they saying they are unhappy with their own government, or they are unhappy with American foreign policy?

We found through over 30 surveys that it is the latter. For the vast majority of people who indicate support for extremism, it is more in the nature of a protest vote, more in the nature of a dissatisfaction with their own condition, intensely felt as it is, than any kind of deep ideological commitment.

Indeed, what we find when we have asked people what would change their view from supporting extremism—as the chair mentioned earlier—Mr. Chairman, we found that in Pakistan, through four nationwide surveys, that six out of ten people who support al-Qaeda, who support bin Laden, would change their point of view if American aid was directed to Pakistani people themselves. Now, of course, not everyone is going to change their point of view. There are some people that, no matter what the United States does, it makes no difference whatsoever. They are die-hard dead-enders for al-Qaeda and the extremist point of view.

We have seen two examples where we did the first polling, both in Pakistan and Indonesia, after the tsunami and after the earthquake, where American aid made a substantial difference. Now, some people have said that has to do with the fact that it was an emergency, and tragedy was vast. That is true. But I submit what we found in our surveys, based on the evidence that what drove the change of opinion toward the United States, was the fact that

American aid went directly to the people in the countries involved and directly helped them. It did not go to a corrupt government where it was siphoned off, or an unpopular government.

And that is the lesson that we should take from those experiences. Not that American aid cannot change opinion and not that that change in opinion cannot be sustained, because it can be sustained. It is the type of aid that is delivered and how it is delivered. And it is important also to remember, both in Pakistan and Indonesia, that it wasn't the United States that carried the message of our aid, it was the local media inside the country that was trusted by people viewing it. That is an important distinction, too. So it didn't come across as propaganda or as message, but as news. And people saw the United States and al-Qaeda supporters and bin Laden supporters and people who supported Pakistani terrorist groups said they welcomed the United States in their view change.

So these are valuable lessons that we should take. We can make an impact on the support for extremism around the world. The people who indicate support for that extremist are not much different from their contemporaries. They want economic development, they want more democracy, they want goals that are anathema to al-Qaeda itself.

The people who support—the very small, small, small group of people that support al-Qaeda can be isolated in these countries. We have seen success stories in Indonesia and in the Philippines where American policy, working together in the country delivering aid on the ground and in a sensible fashion, achieves a real victory in the war on terror.

We can have more victories like that, and United States foreign assistance can play an important role. Thank you.

[The prepared statement of Mr. Ballen follows:]

Congressional Testimony

FOREIGN ASSISTANCE, SUPPORT FOR EXTREMISM AND PUBLIC OPINION IN MUSLIM MAJORITY COUNTRIES

Written Testimony of Kenneth Ballen
President
Terror Free Tomorrow: The Center for Public Opinion

House Committee on Foreign Affairs, Subcommittee on Terrorism, Nonproliferation, and Trade.

Washington, DC
November 18, 2009

Www.TerrorFreeTomorrow.org

I. Introduction: Terror Free Tomorrow's Research

Since 2004 when my organization Terror Free Tomorrow was established, we have worked to find the facts why people support or oppose extremism. We have conducted more than thirty public opinion surveys in Indonesia, Bangladesh, India, Nigeria, Iran, Syria, Turkey, Pakistan, Saudi Arabia, the Philippines and elsewhere, and have interviewed over 100 extremists. In the process, we have assembled the first comprehensive picture of how people sympathetic to al-Qaeda and Osama bin Laden feel about America—and what can be done to change their resentment. For this statement, we report on what drives public opinion, not why a particular individual may have radical views or even become a terrorist, which is another focus of our work.

Our findings are surprising. Like most analysts, we had assumed that radical views in the Muslim world were the outgrowth of a deeply held ideology, unshakeable without profound shifts in American foreign policy. We were wrong. American actions may inflame Muslim opinion. But the solutions that can lessen that hostility are equally surprising.

II. The Nature of Radical and anti-American Views in Muslim Majority Countries

Since 9/11, many Americans have been understandably alarmed by polls showing that a sizable minority of the world's Muslims express sympathy for al-Qaeda, Osama bin Laden and the Taliban. Our own polls confirm this general pattern.

Yet we found that people who support al-Qaeda or bin Laden are not in any measurable way different from their compatriots. Our surveys show that those who express support for bin Laden and al-Qaeda mirror their countrymen in almost every respect, from gender to level of educational achievement. Al-Qaeda and bin Laden supporters are no more fervently Islamic in their practices or beliefs than other Muslims. Nor are they poorer or more disadvantaged—if anything, al-Qaeda and bin Laden sympathizers tend to earn more and to be better off than their fellow citizens.

More important, those who voice sympathy for bin Laden turn out to have views that are remarkably similar to those who do not support bin Laden. Like their compatriots, people who favor al-Qaeda and bin Laden are principally motivated by their perception of Western hostility to Islam. In all our surveys, and those of others, the view of American antagonism is an almost universally held belief among Muslims everywhere. The U.S.-led war on terror, the wars in Iraq and Afghanistan, even our post-9/11 restrictions on visas (stories of upstanding Muslims denied entry to the United States for seemingly arbitrary reasons are a staple of the Muslim press) are seen as assaults on Islam in general and on Muslims in particular. At its core, many Muslims feel that the United States does not respect their views, values, identity and the right to determine their own affairs.

Unexpectedly, however, we found that both bin Laden supporters and those opposed hold almost identical political goals for their countries—goals that are an anathema to the ideology espoused by al-Qaeda.

Pakistan, for instance, is the second largest and the only nuclear-armed Muslim nation, now home base to bin Laden, al-Qaeda and the Taliban. In our latest survey, almost a quarter of Pakistanis said that they had a favorable opinion of bin Laden. But upon closer examination, this cohort was no more likely to have radical views than those Pakistanis who are not sympathetic to extremist groups. Like the rest of Pakistanis, bin Laden and al-Qaeda supporters consider an independent judiciary, free press, free elections and an improving economy the most important goals for their government. In fact, more than eight in ten bin Laden and al-Qaeda supporters chose these goals as their highest priority—significantly greater than the percentage that selected implementing strict Islamic Sharia law as their highest priority.

We found similar opinions in Saudi Arabia, home country of bin Laden and fifteen of the nineteen 9/11 terrorists. Our nationwide survey revealed that Saudis with a favorable opinion of bin Laden and al-Qaeda do not generally have implacable anti-American attitudes, or even support terrorist attacks. For the 15 percent of the Saudi population with a positive opinion of bin Laden, addressing the problem of terrorism was the most important priority they had for the Saudi government, chosen by more than 90 percent—about the same percentage as those who do not have a favorable view of bin Laden or al-Qaeda.

Before Pakistan held elections on February 18, 2008, we conducted another poll asking voters whether they would vote for al-Qaeda if it appeared on the ballot as a political party. Only 1 percent of Pakistanis said yes—a far smaller percentage than the 18 percent of Pakistanis who told us that they sympathize with al-Qaeda. The Taliban would have drawn just 3 percent of the vote. As it turned out, our survey almost exactly mirrored the actual election results. In areas near or in the home base of the Taliban and al-Qaeda, Islamist parties sympathetic to these groups suffered stinging defeats. In the North West Frontier Province, the Islamist parties lost fifty-seven of their sixty-eight seats in the provincial assembly. Evidently, professed support for al-Qaeda or the Taliban does not mean that Pakistanis actually want these groups to *rule* them.

Those who voice support for al-Qaeda or bin Laden, like nearly all Pakistanis, are angry. They are angry at their own government and at the United States for a host of real and perceived sins. Declaring solidarity with al-Qaeda or the Taliban is a way for Pakistanis to express their anger. If there is a difference between those who sympathize with bin Laden and those who do not, it is that bin Laden supporters feel their resentment more intensely.

Our polls show that negative opinions Muslims around the world have towards the United States is not directed at American people or values. Rather, what drives much of public opinion in Muslim majority countries is a pervasive

perception that the United States is hostile towards Islam, imposing its own will on others.

A good illustration comes from our survey of Saudi Arabia. It showed that among the highest priorities for Saudis are free elections and free press. Yet it also showed that the least popular American policy is any U.S. effort to spread democracy in the Middle East. The point is that Saudis want to determine their own affairs and not have the United States impose its values, even when they share those values.

III. New American Policies Can Change Radical and anti-American Views

Importantly, however, our polling indicates that there are steps that the United States can take that could dramatically reverse anti-American attitudes born of this sense of disrespect—if we ask first, rather than thinking we know what's best.

For instance, six out of every ten Pakistanis who have a favorable view toward bin Laden and al-Qaeda said their opinion of America would significantly improve if the United States increased educational, medical and humanitarian aid to Pakistan, as well as the number of visas available to Pakistanis to work or study in the United States. In fact, *more* bin Laden and al-Qaeda supporters said their opinion of the United States would improve with such American policies than did non-bin Laden supporters. Not everyone would change their mind: One in ten bin Laden and al-Qaeda supporters said that their opinion of the United States would not change no matter what America does. This small minority is al-Qaeda's real, narrow core of fervent and intractable support.

The same trend holds in other countries. Among the leading steps that would improve opinion of the United States in Saudi Arabia, for example, were for the U.S. to increase visas and trade. Like their fellow citizens, three-quarters of Saudis who have a favorable opinion of bin Laden cited increased visas to and free trade with the United States. And more than half of both supporters and non-supporters of bin Laden said that these actions would improve their opinion of the United States a great deal.

If the United States demonstrates that it respects people by helping to make tangible improvements in their daily lives, even the anti-American attitudes of those who have a positive opinion of al-Qaeda are likely to change as well.

We have proof of how effective these changes can be. After a massive tsunami struck Indonesia on December 26, 2004, the United States led an extraordinary international relief effort for the victims. Of course, America dispenses aid to many countries, but the money is normally funneled through governments, and ordinary citizens rarely see or experience the results. America's relief effort in Indonesia, by contrast, consisted of on-the-ground, people-to-people assistance. It was broadcast non-stop on local Indonesian television and had a clear

American brand. The assistance not only saved lives but demonstrated to Indonesians that America cared about their wellbeing.

Afterwards, public opinion among Indonesians dramatically swung in favor of the United States, with 65 percent of Indonesians expressing a favorable opinion as a direct result of American aid, including 71 percent of bin Laden supporters. This gain in America's reputation was accompanied by a corresponding decline in backing for the perceived symbols of the most radical anti-American views—bin Laden, al-Qaeda and their local Islamist allies.

Over time, American aid was not the only reason that Indonesians turned against the radicals. The deaths caused by terrorist attacks and increased democratic participation inside Indonesia also contributed. But the U.S. humanitarian mission was one of the most important factors. Admiral Mike Mullen, Chairman of the Joint Chiefs of Staff, has said that this shift in Indonesian public opinion towards America is "one of the defining moments of this new century."

The Indonesian example is not the only one. After a devastating earthquake hit Pakistan in 2005, America stepped in with a similarly intensive relief effort—again widely reported in local media and clearly identified as American aid. Afterwards, our surveys found that 79 percent of self-identified bin Laden supporters (78 percent of all Pakistanis) thought well of the United States because of the humanitarian mission. Among all Pakistanis, the U.S. government was more popular than al-Qaeda, the Taliban, or any Pakistani Islamist radical group—even among Pakistanis who thought favorably of these groups. Indeed, the number of Pakistanis who voiced a favorable opinion of the United States doubled from 23 percent six months before the earthquake to 46 percent one month after American aid began. At the same time, the number of Pakistanis who disapproved of bin Laden doubled at almost the exact same percentage as those who became favorable to the U.S.

This does not mean that the United States can solely increase direct aid and visas without changing its overarching policies in the Muslim world. Again, America's relief efforts in Indonesia and Pakistan are instructive. Indonesia is ruled by a democratic government. And the United States has supported that government, in part with military training and assistance in its fight against domestic terror groups, rather than direct U.S. military action against those groups. Consequently, goodwill towards America among Indonesians has, for the most part, been sustained. Nearly three years after the tsunami, almost 60 percent of Indonesians said that American assistance had continued to make them favorable towards the United States.

On the other hand, America has carried out military strikes inside Pakistan. Combined with the specter of the war on terror, these policies have dissolved the warm feelings generated by America's earthquake relief. In surveys we conducted over the last four years, the positive feelings that stemmed from the relief effort have almost entirely dissipated.

Humanitarian policies provide an opening. Yet, absent other political and economic factors, they are unlikely to result in sustained, long-term improvements in public opinion.

IV. Three Lessons for Future American Policy

Terror Free Tomorrow's research provides three useful lessons. The first: don't be alarmed by the apparent level of support for bin Laden, al-Qaeda and the Taliban in the Muslim world. This support is soft, and has been consistently declining over time. These changing attitudes are largely the result not of America's actions, but al-Qaeda's: citizens in Pakistan and other countries are becoming increasingly disgusted with the group's barbaric violence.

The second lesson is that in order to repair the dismal impression that many Muslims have of the United States, modest actions can have an immediate and dramatic impact. It is essential for the United States to adopt policies that reveal a different side of American power—one that demonstrates respect and compassion by improving the lives of individual Muslims. These policies include increasing student and work visas, direct humanitarian aid, and fairer and freer trade. Since much of the Muslim anger towards the United States and the West is fueled by the widespread perception of a lack of respect, all of these people-based policies send a tangible message that we care about Muslims and regard them as equals.

The third lesson is that practical, direct-to-the-public policy initiatives should be seen as an opening to a new American stance that, in both word and deed, manifests respectful relations between people. These initiatives need to be followed up with meaningful action on the major issues that fuel Muslim resentment. We need to create more effective counterterrorism strategies, work to break the logjam on peace with Israel and resolve the wars in Iraq and Afghanistan. Otherwise, whatever goodwill we create is likely to fade over time.

That goodwill is an invaluable asset to our national security. Negative public opinion towards the United States acts as a real political constraint on the leaders of Muslim countries, limiting their ability to work with America and our allies on everything from counterterrorism operations to negotiating peace agreements. When public opinion towards America has improved and support for terror groups has declined, other governments—even with the overt help of the United States—have been able to isolate and target the terrorists. Indonesia and the Philippines are both successful examples.

On the frontlines in Pakistan, the Pakistani government's hand would be strengthened if the staunchly anti-American views of its citizens can be eased. It is bin Laden's potency as an anti-American icon that drives much of his support. And as in Indonesia, when opinion towards America improves, support for bin Laden and al-Qaeda declines as well. Declining sympathy for terrorists and rising regard for America, acting together, are a powerful force against extremists.

In the wake of 9/11, America fell into a vicious cycle in which our major security policies, aimed at combating terrorism, actually made the threat of terrorism worse by inflaming popular sympathy for extremism. Turning that opinion around could be the first step towards finally getting our counterterrorism strategy right. And while first steps are often said to be the hardest, in this case, the opposite is true. Indeed, the most important first step is the easiest. It is to listen.

Mr. CONNOLLY. Thank you, Mr. Ballen.

And the subcommittee will operate under the 5-minute rule. Let me say before my time starts that we expect votes to be called any minute, and there are going to be at least four votes and it is probably going to be about 40 minutes on the floor. So we are going to have to interrupt the hearing, and I hope you will be able to indulge us and stay. Members of the subcommittee don't control the floor schedule; otherwise we would postpone these votes for this hearing. So bear with us. Thank you.

If I could begin with you, Mr. Ballen. I am very intrigued with what you just said and what we have learned: That what creates a popular shift in opinion is the hands-on dirty business of actually delivering real development assistance. And I think there has always been a debate, frankly—I used to work in the Senate Foreign Relations Committee. My job was to write the Foreign Assistance Act every year, or legislation every year. And, frankly, the folks at the State Department all too often were satisfied with writing big checks to the central bank to keep a client-state happy when the folks at AID were actually trying to do the more difficult task of actually developing projectized aid. It seems to me that what you suggest we have learned is projectized aid has much to commend it.

Mr. BALLEN. I think you are absolutely right, Mr. Chairman. That is the point. I mean—and it was earlier cited, statistics about Egypt—when we give large amounts of aid to a government that is basically and deeply unpopular inside the country, I don't know how we can expect, whether we brand that aid or not, people to appreciate that aid. You know, it is just either feeding—and we have this experience in Pakistan. We gave $10 billion to the Musharraf regime, a regime that became deeply unpopular in Pakistan, and it is not going to win us any points among the Pakistani people. And I think it is a Cold War model. I think we used to see—we had to buy off client-states, and it was just a matter of giving the aid to the government.

You know, that is over with. We are in a different kind of struggle. The struggle against extremism comes from the ground up. And if we are going to start to affect it with our foreign assistance, then we have got to affect it from the ground up and not from the top down.

Mr. CONNOLLY. And the final point on what you are saying too, that I draw, is it goes way beyond the issue of labeling.

Mr. BALLEN. Absolutely. I think that is not the fundamental issue. The fundamental issue is the type aid we give. And then if we do that, I think the message will get out. I think the idea that we can somehow have Madison Avenue marketing or branding or whatever, I think that is foolish. I don't think it is effective and I think it can be counterproductive. But if we are delivering aid in a meaningful way, in the way that people for Mr. Worthington's group do and other people do, that is going to make a difference over time.

Mr. CONNOLLY. And that requires patience and investments of time. And Mr. Worthington, you are shaking your head in concurrence. Did you want to comment?

Mr. WORTHINGTON. One thing that the nonprofit community has learned is that the only way to make a difference in the lives of people is to have people involved in their own development process. They have to be engaged in change that benefits their children, their families, their community.

And it is not just targeting the people, but it is the front line of government. It is that interface between a community and that local municipal government, enabling that government to provide services to a people. That is what our community has been doing for decades, and we have primarily been doing it with private resources that are donated by the American people directly to our organizations. Oftentimes we find that project aid, even projectized aid that isn't listening to what the people want, doesn't become owned by them, so that that school is a school that is given, rather than one of our members who has about 450 schools in Pakistan or built by the local community themselves. They respect that type of aid. It is slow, it is complicated, it is one valley at a time, and it does take decades.

With a program with that type of approach, I do believe that you will find the aid program of the United States will change hearts and minds. It is not in years, but it will happen.

Mr. CONNOLLY. Thank you. I am going to try to get one more question in before I hand the gavel back over to our chairman.

Dr. Lord, I was listening to your testimony and it is very striking that $70 billion to Egypt, pretty much as a Camp David Accord, and not widely appreciated. We are not getting a lot of bonbon and flower pedals at our feet.

Indonesia and Nigeria are two Muslim majority nations with a positive opinion of America and our involvement in those two countries. To what do you attribute the contrast? And, Dr. Phares, please feel free to comment as well.

Ms. LORD. Well, I am not an expert on the details of those aid packages, but I can make some comments. I think one major issue is the one I raised about perceived intent, when people think that aid is being given but the objectives of the United States are not in their best interests.

So to give one example, I know a television producer in Egypt who received United States aid funds, produced some television programs, and he was pilloried afterwards because people kept asking him why did the United States fund the series? What were they trying to convince Egyptians to believe? And I think that shows up in the polls that show that a striking percentage of Egyptians believe that the goal of the United States in Egypt is to weaken and divide Islam. So I think that is one answer.

I think the other potential answer—and these gentlemen would be better qualified to comment—is the nature of the programs that U.S. assistance is funding. So I would encourage you to investigate where is money going. And I believe in Indonesia, it has been much more directed at the local level over the period of time in discussion.

Mr. PHARES. Yes, I will add a couple of things with regard to those percentages that are very worse than to us. I will take the example of Egypt. I don't have contention with the actual results of these polls because let me give you one example about Egypt.

Egypt has 10 percent of its population, 10 percent Copts. Now, when we ran the polls with regard to Copts through their churches, 80 percent basically supported being helped by the United States. So there is something wrong with the numbers. How can 80 percent of 10 percent completely support, and then there is 1 percent of the rest of Muslim communities——

Mr. SHERMAN [presiding]. I am afraid the time has expired. I am doing that because we are going to have a vote on the floor, and I want to yield to Mr. Royce.

Mr. ROYCE. Mr. Phares, you testified that Hamas ensures that the distribution of aid in Gaza occurs via groups set up by the organization itself. I was going to ask you, whose aid is Hamas distributing in Gaza?

Mr. PHARES. Hamas has a strategy basically to counter United States aid or European aid with their own strategies. Number one, if they can't take the control of that aid directly, i.e., by having Europeans or the United States accepting of Hamas as a government would do so, that would be the A) preference. It is not happening.

B) Hamas would then set organizations, NGOs, or partner with NGOs, local NGOs, or even penetrate, if you may say, NGOs. Those NGOs are recognized by the United States or by the Europeans or the international communities and they will set the distribution of aid. What is missing in that operation is that the message that should go to the Palestinians living in Gaza will be simply eliminated. So we would be sending aid, it would be indirectly controlled by NGOs, controlled by Hamas, and the message won't go. That is why in the polling return that we have, you are not going to have a superb majority of Palestinians in Gaza supporting the idea.

Mr. ROYCE. Do you see Hamas' control of aid there as integral to their sort of maintaining political control? Is that one of the ways in which they are able to——

Mr. PHARES. Across the board, Hamas, Hezbollah, or the dominant organizations I mention in my testimony, the first concern basically is not the actual physical logistical aid; they would welcome that aid, they would want to basically distribute it themselves; it is the message that would come with it.

If it comes through NGOs or directly through the United States, that would promote values that are not the values of Hamas, or a project which is not Hamas, such as engaging in peace negotiations with Israelis or multipartners, especially after June 2007, then that will not be to their interest.

Therefore, anytime United States or European aid will be delivered to the region, it is in their interest that they will seize the control of that aid for strategic reasons for this organization.

Mr. ROYCE. I always saw it as sort of the, say, Tammany Hall did it in New York for these organizations.

I was going to ask Dr. Lord, it has been reported that the U.S. Agency for International Development has distributed foreign assistance into Hamas-linked Islamic University in Gaza and al-Quds University. Do you think our aid needs better vetting?

Ms. LORD. Sir, I am not qualified to answer that question. I can't confirm that the aid went there. I would question if that is true, what exactly the aid went to; was it a humanitarian reason, was

it an educational reason? I would need far more information, I am afraid, to give you a good answer.

Mr. ROYCE. Thank you, Kristin.

Let me ask Mr. Phares another question. You have written that jihadi ideology is spreading and is crossing the barriers of ethnicities, races, nationalities, and geographical frontiers. We now have Fort Hood. So I was going to ask: This suggests, then, that it is a movement driven by much more than opposition to U.S. foreign policy, I would presume, in your mind.

Mr. PHARES. Yes. There are two schools that look into the issue. One school begins by saying anti-Americanism is generating jihadism. The other school, which I advocate, looks at it differently. Jihadism, as an ideology, is generating anti-Americanism and also other agendas for the simple historic reason that the jihadist ideologies have preceded—our U.S. foreign policy in the region have preceded the Arab-Israeli conflict. So the ideological rules of organizations such as Hamas or the Muslim Brotherhood or the Salafi combat groups have begun in the 1920s. So that is number one.

Number two, the jihadists are basically an ideological movement within Muslim communities. And sometimes we have the confusion between Islamists and Muslim societies. Muslim societies are regular societies around the globe; the Islamists are a political movement that want to establish a certain regime. The jihadists are those who want to take that doctrine into action, into what they perceive or what they call jihad.

Over the past 20–30 years, the jihadists have been able to go beyond the Arab cultural field and been able to penetrate other ethnicities and other cultures, other regions. That is why we see today, for example, jihadists are very active in the Sahal area of Africa or in Somalia, or all the way down to the south Philippines, or in Kashmir. Which means that, practically speaking, it is now an international movement; it is not just a local national liberation movement as could have been the case 30 or 40 years ago.

Mr. ROYCE. Thank you, Dr. Phares.

I have seen it across Africa—it is quite a phenomenon—and in central Asia. Increasingly, villagers are asking questions about the changing of the culture; that their culture is being changed to Gulf State culture primarily through the madrassahs that spring up there, especially when they decapitate the young men for leaving the jihadist training.

Mr. SHERMAN. I am going to have to interrupt at this point and also impose strictly the time limit on myself if we are going to have even 1 minute or 2 for the gentleman——

Mr. BOOZMAN. That is fine, I am enjoying this.

Mr. SHERMAN. Well, we will try to maximize the entertainment value in the future of these proceedings.

First of all, I think at least one witness commented that we don't want to be perceived as being selfish in the reasons why we give out aid. Let me assure you that no matter how pure we are, we will be perceived as being selfish. No one in the world is going to think that we are doing something and not keeping in mind our own interests, even if the truth be that we are not.

Second, I want to echo the ranking member and his comment about Tammany Hall. Those of us who hold elective office, who hold some degree of power in the United States Government, understand that one of the key things to maintaining that power is bringing home the bacon. A ribbon-cutting is perhaps the most significant political activity. And I realize bringing home the bacon is not Halal, it is also not kosher, but it is critical to any government staying in power.

And so the question then is, do we have examples of when our aid has gone through hostile governments, where hostile governments get to cut the ribbon, or through hostile quasi-governmental institutions such as Hamas? We have heard about Hamas. Does anyone here have an example of where it is the Hamas flag on the bag or the anti-American flag on the bag?

Mr. Ballen.

Mr. BALLEN. When we went into Pakistan after the earthquake, we were competing with local radical and extremist organizations who definitely put their mark and their brand on the bag. It was a competition. It was the same thing in Indonesia. And this is true, as others can—Dr. Phares can testify on the West Bank in Gaza, Hamas and Hezbollah definitely put their brand on the bag. There is no doubt about it.

Mr. SHERMAN. Does anybody have an example of where we pay for the bag and the wrong flag is on the bag?

Mr. PHARES. If I may go north to Hezbollah was mentioned over the past 5 years. We could provide significant reporting, if asked.

Mr. SHERMAN. You are asked. Please provide it for the record.

Mr. PHARES. Well, Hezbollah has been able to mount, actually, NGOs, Lebanese NGOs, or penetrate other existing NGOs, both human rights, humanitarians. And those NGOs have been recipients of U.S. aid through the Embassy and through other ways, so that when Hezbollah or the NGOs controlled by Hezbollah went to the Bakhar in the south, what the individual Lebanese shia have seen basically is an NGO whose members are from their neighborhoods, Hezbollah.

Mr. SHERMAN. So these were Hezbollah front organizations distributing our aid?

Mr. PHARES. Yes.

Mr. SHERMAN. I think most people in this room are good advocates of foreign aid, so please don't tell my constituents about the World Bank loans to Iran, and please don't tell them about these examples of United States aid going to Hamas and Hezbollah front organizations.

Are we spending enough on public diplomacy? The natural tendency is to take every development dollar and spend it on development. I would argue that you should spend a certain percentage of it telling people. When I see private corporations do good, they put advertisements on my TV. I sometimes think maybe 75 percent of the money is going to tell me how much good the 25 percent is doing.

I will go down the list. Maybe a quick yes, no. Are we spending enough to publicize our aid?

Mr. BALLEN. You know, we could spend as much as we want, and it is not going to work if the aid itself is not going to the people.

Mr. SHERMAN. So we need a good strategy of the aid and the effort.

Mr. BALLEN. Correct.

Mr. SHERMAN. But assuming we let you control the dollars that are being spent on public diplomacy, are there enough dollars?

Mr. BALLEN. Probably I would say yes.

Mr. SHERMAN. Mr. Worthington, enough dollars, yes or no? We will get to strategy later.

Mr. WORTHINGTON. No.

Mr. SHERMAN. Dr. Phares.

Mr. PHARES. What we have earmarked exceeds the necessity for the battle of strategic communications. I am not expert on aid per se, but for strategic communications exceed.

Mr. SHERMAN. So we are spending more than we need to on communications.

Dr. Lord.

Ms. LORD. Mr. Chairman, my answer is no.

Mr. SHERMAN. We have to spend more?

Ms. LORD. Correct.

Mr. SHERMAN. Okay.

Next, there are a number of criteria that go into selecting a country to aid and a project to fund. The question here is: In the foreign aid decisions that we make now, is that number one, or tied for number one, as a criteria for selecting projects, in general?

Mr. Ballen.

Mr. BALLEN. We clearly do that. I mean, I think it is tied.

Mr. SHERMAN. So it is a major priority.

Mr. BALLEN. Yes.

Mr. SHERMAN. Mr. Worthington.

Mr. WORTHINGTON. A direct link to U.S. foreign aid to strategic countries.

Mr. SHERMAN. Dr. Phares. I think we need to divert the strategy to have partnership on the ground, NGOs. We don't have it.

Mr. SHERMAN. Dr. Lord, in your testimony you said that it shouldn't be the number one criteria for selecting projects. Is it?

Ms. LORD. No, I don't think it is.

Mr. SHERMAN. It isn't, and it shouldn't be.

We should vote. I don't know if the gentleman from Arkansas has any comments.

Mr. BOOZMAN. Yes. I would just like to follow up on your label question.

The U.N. doesn't allow labels on the U.N. stuff from their partners that are distributing. USAID does, and sometimes it gets so labeled that you don't really know what is there. Should USAID consider going to the U.N. style and adopting that strategy?

Mr. WORTHINGTON. My answer would be no. In the difficult places in the world where labeling is a problem, the reality is what is on the bag is really not important. If anything, our committee tries not to label anything, including the names of our member organizations, because it is too dangerous.

Ultimately, it comes down to you are feeding someone. And I have seen an Islamic organization handing out a bag that is clearly marked from the American people, and showing that partnership between an Islamic organization from the American people being

handed out to help people in a place like Darfur I think is a powerful message.

Mr. PHARES. The Islamic Republic of Iran or Qatar or Saudi Arabia, when they do send foreign aid to areas, they are proud to have the flag. And they accompany this flagging with individuals who explain what this aid is for. They will, in some cases, actually display the ideology.I21I think the United States, to be able to reach similar objectives, should not be afraid of flagging or of claiming. What it should do, in peril, is to have its partners, NGOs, non-government organizations, from the region, from the societies who espouse the same ideals, be accompanying this operation.

Mr. BOOZMAN. Thank you, Mr. Chairman.

Mr. SHERMAN. I think we now stand adjourned. We have 4 minutes and 28 seconds to go vote. Thank you very much, witnesses.

[Whereupon, at 3:15 p.m., the subcommittee was adjourned.]

APPENDIX

Material Submitted for the Hearing Record

SUBCOMMITTEE HEARING NOTICE
Committee on Foreign Affairs
Subcommittee on Terrorism, Nonproliferation and Trade
U.S. House of Representatives
Washington, D.C. 20515-0128

Brad J. Sherman (D-CA), Chairman

November 9, 2009

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Subcommittee on Terrorism, Nonproliferation and Trade, to be held in **Room 2172 of the Rayburn House Office Building:**

DATE: Wednesday, November 18, 2009

TIME: 2:00 P.M.

SUBJECT: Flag on the Bag?: Foreign Assistance and the Struggle Against Terrorism

WITNESSES: Kristin M. Lord, Ph.D.
Vice President and Director of Studies
Center for a New American Security

Walid Phares, Ph.D.
Director, Future of Terrorism Project
Foundation for Defense of Democracies

Mr. Samuel Worthington
President and Chief Executive Officer
InterAction

Kenneth Ballen, Esq.
President
Terror Free Tomorrow

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5021 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.

COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON *Terrorism, Nonproliferation and Trade* MEETING

Day *Wednesday* Date *11/18/09* Room *2172*

Starting Time *2:05 p.m.* Ending Time *3:15 p.m.*

Recesses [ ] (____ to ____)

Presiding Member(s) *Mr. Sherman, Mr. Connolly*

CHECK ALL OF THE FOLLOWING THAT APPLY:

Open Session [✓]
Executive (closed) Session [ ]
Televised [✓]

Electronically Recorded (taped) [ ]
Stenographic Record [✓]

TITLE OF HEARING or BILLS FOR MARKUP: *(Include bill number(s) and title(s) of legislation.)*

Flag on the Bag?: Foreign Assistance and the Struggle Against Terrorism

SUBCOMMITTEE MEMBERS PRESENT:

Mr. Sherman, Mr. Connolly, Mr. Scott, Mr. Klein, Mr. Royce, Mr. Boozman

NON-SUBCOMMITTEE MEMBERS PRESENT: *(Mark with an * if they are not Members of HIRC.)*

Mr. Rohrabacher

HEARING WITNESSES: Same as meeting notice attached? Yes [✓] No [ ]
(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

Mr. Connolly Opening Statment

ACTIONS TAKEN DURING THE MARKUP: *(Attach copies of legislation and amendments.)*

RECORDED VOTES TAKEN (FOR MARKUP): *(Attach final vote tally sheet listing each member.)*

Subject	Yeas	Nays	Present	Not Voting

TIME SCHEDULED TO RECONVENE _____
or
TIME ADJOURNED *3:15 p.m.*

Subcommittee Staff Director

The Honorable Gerald E. Connolly (VA-11)

TNT Subcommittee Hearing: USAID Branding
Wednesday, November 18, 2009
2pm

Mr. Chairman, thank you for holding today's hearing on what I believe to be a vital component in our effort to revive the mission and identity of the United States Agency for International Development. The need for drawing a coherent connection between our national security and international development policies has reached a critical point.

To its credit, the Administration has initiated steps to evaluate current U.S. development policy. In July, the State Department announced its Quadrennial Development and Defense Review, which will "provide the short-, medium-, and long-term blueprint for our diplomatic and development efforts." Soon after, the President authorized a Presidential Study Directive on Global Development Policy. These assessments are, at best, adequate first steps, but we must continue striving for the larger goal of overhauling the U.S. development apparatus so that foreign assistance is distributed in the most efficacious way possible. Of course, all of these efforts have been hampered by the fact that we have gone nearly a year without clear leadership at USAID. The nomination of current Agriculture Undersecretary Rajiv Shah is encouraging, but the Administration must equip him with the tools and freedom to hit the ground running if we are to succeed in reviving the agency and its mission.

Effective development requires a strong USAID and experienced development professionals in the field. Foreign aid can benefit noble causes—women's empowerment, poverty reduction, disease reduction—and it ought to be centralized, not micromanaged. I know the Committee will address this issue on a larger scale in the coming months, and I thank the Chairman for his leadership on foreign aid reform.

There is a misconception that development is based on short-term charity, but this notion is false. The true goal of development is to empower a local

The Honorable Gerald E. Connolly (VA-11)

population to gain skills and build institutions that will improve their lives and the lives of future generations. This, in turn, helps the United States by promoting economic and social stability. It also can help spur good will and improve our relations with a myriad of other nations. While there are circumstances in which we or our partners may not want to push the USAID brand, it is clear that we are not seizing strategic opportunities with the aid we do provide.

If the United States plans its foreign aid strategy properly, the investment in that aid will return to us many times over. Just look at the strides already made in education, for example. The agency's American Schools and Hospitals Abroad (ASHA) program has assisted 237 institutions in more than 70 countries. It has facilitated the development and sustainment of superior libraries, schools, and medical centers in places like Africa, Asia, Eurasia, Europe, Latin America, the Caribbean and the Near East.

We need a robust, reinvigorated U.S. development agency – one which consolidates and coordinates the disparate initiatives such as the Millennium Challenge Corporation, the President's Emergency Program for AIDS Relief (PEPFAR), CERP funding and the expanded bilateral program with Pakistan to name just a few. In addition, I believe USAID ought to have a seat on the National Security Council to further cement its mission and voice as the lead agency on international development matters. Moving forward, our foreign assistance and development policies must have a focal point – for their articulation and to ensure full accountability. The time has come to rebuild and refocus the Agency for International Development.

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