

FOUR REFORM PRINCIPLES THAT WILL MAKE INTERNATIONAL ASSISTANCE WORK FOR AMERICA.

An effective development strategy is an essential part of an effective foreign policy and reforming our foreign assistance will yield better results for those we help and more faithfully serve our national interests. The following four reform principles are a **practical basis for policy-makers and advocates**.

1. REWARD EFFECTIVENESS:

We must commit to identify and reinforce what works and quit doing what doesn't work, regularly and systematically determining which aid programs are delivering real results and advancing strategic objectives. Funds should be redirected toward more effective and cost-effective programs, thereby demonstrating at home a judicious use of taxpayer resources and demonstrating abroad that our support requires dedication to effectiveness and results.

2. PROMOTE OPPORTUNITY AND GROWTH

Private sector-led economic growth is the only sustainable solution to global poverty, and our foreign policy must place it at the center of our global development strategy. America's entrepreneurial tradition, dynamic capital markets, and robust public and private institutions offer an unrivaled ability to drive growth, with real benefits both at home and abroad. To do so, we must reform our foreign assistance approach to more directly promote growth, expand economic opportunity, and reduce barriers to trade and investment.

3. BUILD SELF-SUFFICIENCY & ADVANCE DEMOCRATIC GOVERNANCE

Our assistance must help build partner country self-sufficiency, fostering institutions that are democratic, accountable, and ultimately replace aid. Such institutions are essential for broad-based economic growth and the establishment of prosperous middle class-based societies. Building domestic capacity hand in hand with responsibility for outcomes—where a government can raise revenues, address citizen priorities, and be held accountable for results—is true country ownership and the only success-based “exit strategy” from foreign aid for donor and recipient alike.

4. MAINTAIN OUR GLOBAL LEADERSHIP

Our humanitarian commitment to the most vulnerable and threatened has been a cornerstone of the United States' global leadership for more than 70 years, demonstrating to the world that Americans are generous, innovative, and able to mobilize global action. Our humanitarian commitments and leadership – both in emergencies and to address long-term challenges – command broad public support at home and create lasting goodwill abroad. President Bush built a reform legacy through innovative, ambitious humanitarian programs with clear accountability and performance standards. The successes, reforms, and lessons of these initiatives should be applied throughout our foreign assistance.