

# Direct U.S. Foreign Aid to Ukraine Through Faith-Based and Other Civil Society Networks

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## KEY TAKEAWAYS

Much is at stake with how and through which groups the U.S. government disburses its massive humanitarian aid in Ukraine.

The U.S. does not need to—and should not—rely on incompetent international organizations, such as the United Nations, to help the Ukrainian people.

The U.S. and its allies should work directly with Ukrainian organizations, which are best positioned to bring life-saving support to the millions in need.

In March, Congress passed the \$13.6 billion Ukraine Supplemental Appropriations Act to provide the beleaguered country with immediate security and humanitarian assistance—\$4 billion of which will provide urgent aid specifically to the millions of Ukrainians fleeing Russian brutality.

But with whom will the Administration partner to deliver this aid on a mass scale? The U.S. government normally counts on United Nations agencies and other international organizations to deliver aid to places where public and private social infrastructure is lacking. In contrast, Ukraine is a European country that, despite all odds, has shown incredible social resilience during the crisis. Its churches, nongovernmental organizations, and their American partners give the United States an opportunity to avoid the failed aid models of the past and to ensure that American generosity reaches the Ukrainian people quickly and efficiently.

This paper, in its entirety, can be found at <http://report.heritage.org/ib5265>

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The U.S. must work directly with, and mandate subawards to, local actors, favor procurement within Ukraine, expand diaspora engagement, and relocate its aid office from Poland back to Ukraine, as other North Atlantic Treaty Organization (NATO) members are doing.

## Avoiding Waste, Fraud, and Abuse

Russia's war on Ukraine has created the biggest movement of people in Europe since World War II. An estimated 12 million Ukrainians, over a quarter of the total population, have fled their homes. The World Bank estimates that Ukraine's economy will shrink by almost half this year as the Russian military has flattened factories, infrastructure, and entire cities.<sup>1</sup> Active fighting is preventing farmers from harvesting winter crops planted last year and from planting this year's crops, raising the prospects of famine. Hence, the large-scale emergency aid response.

But how the United States disburses these funds will determine how quickly Ukrainians receive this life-saving assistance and how fast the country gets back on its feet, as well as whether it does, or avoids doing, any harm. The record of previous U.S. government billion-dollar aid packages is rife with mismanagement, fraud, and diversion of funds to terrorists.<sup>2</sup> A 2021 U.S. Government Inspector General report criticized the U.S. Agency for International Development (USAID) for its poor management of international partners<sup>3</sup> leading to the U.S. Department of Justice to fine one of them—the International Rescue Committee—for \$6.9 million for procurement fraud.<sup>4</sup> Even before President Joe Biden's disastrous withdrawal from Afghanistan, the country had already collapsed economically, its independent spirit crushed by a foreign-aid-driven nation-building failure.<sup>5</sup> The U.S. must not recycle this playbook in Ukraine.

## A Better Approach

In fact, to date, before the foreign-aid industrial complex has ramped up its activities, church organizations, members of the Ukrainian diaspora, private companies, and thousands of individual volunteers and donors have already stepped up to the plate, raising hundreds of millions in emergency aid within a few weeks, providing food, shelter, medical care, other supplies, and fellowship on a mass scale.<sup>6</sup> In Ukraine, churches and civil society networks, their own organizational capacity forged years earlier by Russia's 2014 occupation of Crimea and the eastern Donbas region, are feeding and caring for millions of desperate people.<sup>7</sup> These local networks

are being bolstered by U.S. faith-based organizations and thousands of other churches, corporations, and individual Americans. In addition, Ukrainian diaspora groups have disbursed tens of millions in assistance and represent an unmatched source of knowledge, information, and in-country relationships.

U.N. agencies, in contrast, tend to strip local civil society groups and local government networks of agency and eventually replace them, sapping countries' social and public-sector resilience and fostering long-term aid dependence. Still, the aid and support from private in-country networks dwarf those of any international organization. The U.S. government does not need to rely on this expensive and inefficient global middleman to help the Ukrainian people.

Complicating matters, USAID dispatched a 17-person Disaster Assistance Response Team to lead the U.S. government's humanitarian response, not to Ukraine but to neighboring Poland.<sup>8</sup> Where the U.S. government has failed to oversee large-scale aid programs, such as in Yemen, Syria, Libya, and, most recently, Afghanistan, waste, fraud, and abuse have been rampant. This approach also does not align with NATO allies, which have returned, or are returning, to Kyiv, including the European Union delegation and delegations from Austria, the Czech Republic, Estonia, France, Lithuania, Slovenia, and Turkey.<sup>9</sup> France even dispatched gendarmes to Kyiv to collect evidence of Russian war crimes.<sup>10</sup>

Moreover, the Trump Administration reformed many U.S. foreign-aid rules that had favored international actors over American and local actors and instituted policies and new mechanisms to diversify U.S. partnerships, especially with church and other local nongovernmental organization (NGOs).<sup>11</sup> Last year, USAID Administrator Samantha Power committed herself to substantially increasing direct aid flows to local organizations.<sup>12</sup> Now is an opportunity to test that commitment. The Ukrainians have proved their mettle and competence in helping their own people. They have more than earned equal partnership with the United States for relief efforts.

Initial indications do not inspire confidence, though. Earlier in April, Administrator Power released a statement on a meeting with her British counterpart, asserting "the need to further scale up the United Nations' assistance to and engagements with the Government of Ukraine."<sup>13</sup> Why insert the U.N. into an already crowded and more effective field of private aid operations? There is also President Biden's promise to his hardcore progressive base to use foreign aid, including humanitarian aid, as a global platform to push the Left's woke sexual agenda.<sup>14</sup>

## Recommendations for the U.S.

Much is at stake in Ukraine. The U.S. government must ensure that its massive humanitarian aid response helps the Ukrainian people to survive Russia's war of aggression. In order to do so, the U.S. should:

1. **Partner directly with local churches and NGOs, their American faith-based partners, and members of the Ukrainian diaspora in the U.S, such as the Ukrainian Greek Catholic Church and the U.S.–Ukraine Foundation.** While the sudden exodus of millions of Ukrainians into neighboring countries and beyond has overwhelmed European authorities, a massive private response has filled the void. USAID should build on these existing initiatives and reject parallel U.N.-run operations that lack the knowledge, relationships, and community trust needed to respond effectively. USAID should use the policies and tools that the previous Administration made available to it to directly fund this existing aid architecture that is less expensive, more efficient, will reach more people more quickly, and is less prone to corruption. Because broader U.S. national security interests must be paramount, the government should not give any U.S. taxpayer funds to groups or their affiliates that provide services to aliens who are crossing the southern border illegally or are unlawfully present within the United States.<sup>15</sup>
2. **Mandate that at least 50 percent of U.S. humanitarian assistance funds disbursed to international organizations in Ukraine be sub-awarded to faith-based and other local organizations already on the ground.** Such a mandate would require international agencies to partner with local churches, civic organizations, and business enterprises that are better suited to delivering emergency assistance and respect local cultural norms. It would avoid the creation of an expensive, foreign-staffed in-country bureaucracy that would erode Ukraine's social resilience, and it would reduce opportunities for the corruption that plagues large-scale aid responses in other war-torn countries.
3. **Require U.S.-government-funded partners to procure resources locally.** Foreign-aid programs involve the purchase of massive amounts of items—from food and water to medicines and medical supplies to building and sheltering materials to a range of services

from hundreds of vendors. To keep costs down, maintain Ukraine's economy in areas where fighting is minimal, encourage food self-sufficiency, keep people employed, and stem the flow of refugees, cash rather than in-kind assistance—using biometric technology to verify aid recipients—will help Ukraine's economy to be better poised for future economic recovery. The U.S. should adopt a Ukraine First procurement policy that favors Ukrainian vendors over others (and should *never* include communist China).

**4. Expand USAID's diaspora engagement to coordinate its humanitarian activities with the Ukrainian American community.**

Ukrainian American organizations are at the forefront of U.S. relief efforts. They bring trusted local networks, financial resources, country knowledge, and human capital to assist in managing the aid response and private-sector innovation to jump-start Ukraine's broken economy. USAID's Bureau for Humanitarian Assistance (BHA) is the lead federal agency for responding to Ukraine's humanitarian crisis. The BHA should expand its one-person diaspora unit to support collaboration with the diaspora community. This will save taxpayers substantial money and optimize U.S. relief efforts in Ukraine.

**5. Open a Disaster Assistance Response Team (DART) office at the U.S. Embassy in Kyiv, Ukraine.** Leading from behind the border is a recipe for waste, fraud, and abuse of taxpayer funds. Presence in Kyiv would provide USAID direct communication with and oversight of those organizations delivering aid to the Ukrainian people. U.S. allies are already doing so—so should the United States.

## Conclusion

Russia's war of aggression has caused a massive humanitarian disaster in Ukraine. The U.S. and its allies must respond by working with those private organizations, especially in Ukraine, that are best positioned to bring life-saving support to the millions in need—not through incompetent international organizations, such as the United Nations.

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## Endnotes

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15. It is important to note the link with mass migration across the Southern border. Americans have long helped displaced people and refugees. The Biden Administration should be focusing on bona fide displaced populations and refugees, such as Ukrainians, who are under attack on account of their nationality and religion. (See, for example, Peter Smith, "Ukrainian Archbishop: Minority Faiths at Risk If Russia Wins," *AP News*, March 31, 2022, <https://religionnews.com/2022/04/01/ukrainian-archbishop-minority-faiths-at-risk-if-russia-wins/> (accessed April 20, 2022). Yet, the Biden Administration has made a point of treating all those who illegally cross the Southern border as legitimate asylees when, in fact, most are economic migrants who are *not eligible* for asylum. The Administration relies on some of the same faith-based NGOs that are active in Ukraine to "process" illegal aliens. Such NGOs, and in turn, the Biden Administration, should support Ukrainians rather than those who enter the U.S. illegally seeking better opportunities.