

# ISSUE BRIEF

No. 4671 | MARCH 27, 2017

## State Department and Congress Should Probe USAID, Soros Promotion of Radical Agenda Overseas

*Mike Gonzalez*

There is credible evidence that during the Obama years the U.S. Agency for International Development (USAID) was used to promote abroad policies that remain controversial within American society itself and that serve no clear national security interests. To achieve these ends, USAID has teamed up in some countries with groups funded by financier George Soros, the world's 22nd wealthiest man according to *Forbes*. Following complaints from several foreign officials, a group of six Senators has asked Secretary of State Rex Tillerson to investigate these reports. Tillerson should conduct such a probe, and congressional committees should hold hearings.

### USAID

The U.S. Agency for International Development characterizes itself as the lead U.S. government agency working to end poverty and promote democracy and civil society around the world.<sup>1</sup> While it has done some good work on both fronts, evidence over decades shows that development assistance has a poor record of improving economic growth and development in recipient countries. Research, including that based on The Heritage Foundation's annual *Index of Economic Freedom*, shows that free-market economic policies and a sound rule of law are

the most effective and reliable path to improved economic growth and long-term development.

Because of this, Heritage has recommended that USAID become more like the Millennium Challenge Corporation, whose model demands that aid recipients be held accountable for results and make sustained efforts to combat corruption.<sup>2</sup> In addition, USAID should be more fully incorporated into the State Department to ensure that its decisions support U.S. interests and diplomatic priorities.

There are other problems. While ending poverty and promoting democracy enjoy broad support among Americans, the Obama Administration at times turned USAID into one of its preferred instruments for promoting contentious agendas that have failed to gain consensus acceptance within America society itself. These agendas—from transgender rights<sup>3</sup> and same-sex marriage<sup>4</sup> to training foreign citizens in street “activism,” “civic engagement,” and “mobilization”<sup>5</sup>—have caused deep rifts here. As a poverty expert wrote in March, during the Obama years, USAID pushed “agendas that were neither supported by large segments of the U.S. population nor of clear benefit to American national interests.”

USAID has done this, moreover, in societies as conservative as Ireland and Macedonia and many of those in Africa and Central America. Unsurprisingly, U.S. meddling in the politics and traditions of other countries often creates a backlash. As three observers sympathetic to gender identity policies have written, “USAID has tied development money to gay rights, causing anger among some Africans who see it as a form of imperialism.”<sup>6</sup> In one example, a USAID-funded ad in Kenya that reminded women

---

This paper, in its entirety, can be found at  
<http://report.heritage.org/ib4671>

The Heritage Foundation  
214 Massachusetts Avenue, NE  
Washington, DC 20002  
(202) 546-4400 | [heritage.org](http://heritage.org)

Nothing written here is to be construed as necessarily reflecting the views of The Heritage Foundation or as an attempt to aid or hinder the passage of any bill before Congress.

---

to “use a condom when having an affair” had to be pulled after objections from the public.<sup>7</sup>

Resistance to perceived interference by the U.S. is not limited to Africa. It also includes European countries from Ireland to Macedonia. In Macedonia, a pro-U.S. and pro-Western conservative party is complaining that USAID and the embassy have contributed to the country’s deep political crisis.<sup>8</sup>

### The Open Society Foundations

In the promotion of radical agendas in several countries, USAID has found an ideal partner in George Soros. The American financier has supported anti-totalitarian voices in the past, especially those who were fighting Soviet oppression. Since the fall of the Berlin Wall, however, Soros has thrown his considerable fortune, estimated at \$25 billion,<sup>9</sup> behind efforts to fight traditional Western values and standards and in support of transnational governance that erodes

national sovereignty. He spends billions to legalize abortion in Ireland and Mexico,<sup>10</sup> decriminalize drugs in Indonesia,<sup>11</sup> teach progressive mobilization tactics in Macedonia,<sup>12</sup> promote a peace accord with narco-Marxist rebels in Colombia that the citizens of that country rejected in a referendum,<sup>13</sup> push for transgender rights in Guatemala,<sup>14</sup> portray Israel as a violator of human rights,<sup>15</sup> and legalize prostitution all over the world,<sup>16</sup> among many other global initiatives. Here in the U.S., Soros is also spending billions to transform America along all these policy fronts.

It is Soros’s right as a private individual to act on his convictions, but evidence is emerging that during the past eight years, Soros, his Open Societies Foundations (OSF), and their many smaller affiliates have received U.S. taxpayer money through USAID and that USAID has made the OSF the main implementer of its aid. Given that many of the policies Soros and his OSF promote do not enjoy consensus

- 
1. USAID, “Who We Are,” <https://www.usaid.gov/who-we-are> (accessed March 24, 2017).
  2. The Heritage Foundation, “Solutions 2016: Foreign Assistance,” [http://solutions.heritage.org/foreign-affairs/foreign-assistance/?\\_ga=1.144563573.1118715712.1480479531](http://solutions.heritage.org/foreign-affairs/foreign-assistance/?_ga=1.144563573.1118715712.1480479531) (accessed March 24, 2017).
  3. Alana Marsili, “Openly LGBTI and in Office: A Historic Election for Guatemala,” USAID, November 20, 2015, <https://blog.usaid.gov/2015/11/openly-lgbti-and-in-office-a-historic-election-for-guatemala/> (accessed March 24, 2017).
  4. Social Change Initiative, “Campaigning for Change Karina Garcia, US Embassy Dublin,” YouTube, September 6, 2016, [https://www.youtube.com/watch?v=Bz-E857Hx\\_4](https://www.youtube.com/watch?v=Bz-E857Hx_4) (accessed March 24, 2017).
  5. Mike Gonzalez, “How Soros Money Is Corrupting Politics in This Small European Nation,” The Daily Signal, March 2, 2017, <http://dailysignal.com/2017/03/02/how-soros-money-is-corrupting-politics-in-this-small-european-nation/>.
  6. Charles E. Hurst, Heather M. FitzGibbon, and Anne M. Nurse, *Social Inequality: Forms, Causes, and Consequences* (New York: Routledge, 2017), p. 174.
  7. Lisa Correnti, “Offensive USAID-Funded Ad Pulled in Kenya After Public Outcry,” Catholic Lane, March 21, 2013, <http://www.catholiclane.com/offensive-usaid-funded-ad-pulled-in-kenya-after-public-outcry/> (accessed March 24, 2017).
  8. Chris Deliso, “Macedonia’s Crisis Isn’t Going Away,” The American Interest, March 5, 2017, <http://www.the-american-interest.com/2017/03/05/macedonias-crisis-isnt-going-away/> (accessed March 24, 2017).
  9. “Profile/George Soros,” Forbes, March 22, 2017, <https://www.forbes.com/profile/george-soros/> (accessed March 24, 2017).
  10. Kevin Jones, “For George Soros, Ireland Abortion Fight May Be First Step Against Catholic Countries,” Catholic News Agency, January 2, 2017, <http://www.catholicnewsagency.com/news/for-george-soros-ireland-abortion-fight-may-be-first-step-against-catholic-countries-97748/> (accessed March 24, 2017).
  11. Claudia Stoicescu and Rima Ameilia, “What’s Life Like for Women Who Use Drugs in Indonesia? It’s Time We Asked Them,” Open Society Foundations, March 8, 2017, <https://www.opensocietyfoundations.org/voices/what-s-life-women-who-use-drugs-indonesia-it-s-time-we-asked-them> (accessed March 24, 2017).
  12. Gonzalez, “How Soros Money Is Corrupting Politics in This Small European Nation.”
  13. Maria Victoria Llorente, “After Decades of Conflict, Colombia Could Finally Be on the Precipice of Peace,” Open Society Foundations, March 23, 2016, <https://www.opensocietyfoundations.org/voices/after-decades-conflict-colombia-could-finally-be-precipice-peace> (accessed March 24, 2017).
  14. Marsili, “Openly LGBTI and in Office.”
  15. Eli Lake, “A Soros Plan, a Marginalized Israel,” Bloomberg View, August 16, 2016, <https://www.bloomberg.com/view/articles/2016-08-16/how-george-soros-threatens-to-make-israel-a-pariah> (accessed March 24, 2017).
  16. Open Society Foundations, “Understanding Sex Work in an Open Society,” last updated October 2015, <https://www.opensocietyfoundations.org/explainers/understanding-sex-work-open-society> (accessed March 24, 2017).
-

support across U.S. society, and given further that many Americans in fact find many of them repugnant, the Trump Administration should investigate the extent of cooperation between the OSF and its affiliates, USAID, and U.S. embassies abroad.

### Request for an Investigation

Six Republican Senators have already acted. They have sent a letter calling onto Secretary of State Tillerson stating:

We respectfully ask that you use your authority to investigate all funds associated with promoting democracy and governance and review the programs, accounts, and multiplicity of U.S. entities involved in such activities. We must take this critical moment—at the start of a new administration—to review how all our tax dollars are being utilized in order to halt activities that are fomenting political unrest, disrespecting national sovereignty and civil society, and ultimately undermining our attempts to build beneficial international relationships.<sup>17</sup>

The letter further states that:

Our foreign aid should only be used to promote a political agenda if it is in the security or economic interests of our country to do so, and even at that, we must be cautious and respectful in such an endeavor. We should be especially wary of promoting policies that remain controversial even in our own country and that have the potential to harm our relationship with the citizens of respective countries.<sup>18</sup>

In a press release that accompanied the letter, Senator Mike Lee (R-UT) added that one such group that concerned the Senators is “USAID multi-grant recipient, the George Soros-backed Open Society Foundations. Sen. Lee and his colleagues believe this behavior is unacceptable and must be halted immediately.”<sup>19</sup>

The time is ripe for such an in-depth investigation to ascertain the extent of USAID’s involvement with Soros, his OSF, or many of the other groups in his extensive network. There is evidence of either outright USAID grants to the network or mutual grants to the same parties in every region of the globe, but without an investigation such as the Senators are requesting it is practically impossible to get to the truth.

Turning back the Obama policy of using USAID for the promotion of radical causes and making common cause with Soros’s groups is an important step as the Administration prepares to make budget cuts. In some regions of the globe, tacit or explicit U.S. support for liberal progressive policies backed by taxpayer dollars is cannibalizing moderate political support. Russia is working hard to gain influence in such regions as the Balkans, and political parties in these regions may turn increasingly to Vladimir Putin’s Russia as an alternative if no other conservative policy position exists as a counter.

### What Needs to Be Done

U.S. taxpayers should not fund liberal progressive policies that are far from accepted in the U.S. Furthermore, support for Soros-backed groups that propagate these policies only serves to cannibalize the political middle in many nations and drive conservative policymakers toward Russia.

To counter this threat:

- **U.S. policymakers need to understand the scope of the problem.** Publicly available evidence shows that USAID money has been used to support the OSF or affiliated groups in nearly every region of the globe, but without an investigation such as the Senators are requesting, it will be almost impossible to uncover the truth.
- **The State Department needs to initiate a full investigation.** Secretary Tillerson should order the investigation into USAID and State Department spending and cooperation with U.S. entities, including the NGOs associated with George

---

17. Letter from Senators Michael S. Lee, James M. Inhofe, Thom Tillis, David A. Perdue, Ted Cruz, and Bill Cassidy to The Honorable Rex W. Tillerson, Secretary of State, March 14, 2017, <https://www.lee.senate.gov/public/index.cfm/press-releases?ID=B5BD5596-25C8-495F-A8B1-A4D248649C04> (accessed March 26, 2017).

18. *Ibid.*

19. News release, “GOP Senators Call on Sec. Tillerson to Investigate State Department Meddling,” Office of Senator Mike Lee, March 14, 2017, <https://www.lee.senate.gov/public/index.cfm/press-releases?ID=B5BD5596-25C8-495F-A8B1-A4D248649C04> (accessed March 24, 2017).

Soros, as called for in recent congressional letters. The State Department Office of Inspector General, which was created to conduct exactly such investigations in our embassies and diplomatic posts worldwide, could be ideally suited to helping to conduct such an investigation.

- **Congressional hearings are essential to shed light on taxpayer funding of groups supporting controversial policies.** As provided by the Constitution, Congress has an oversight role over the conduct of the State Department and USAID.

Additionally, Congress has a responsibility to U.S. taxpayers to ensure that their money is used responsibly. Both the Senate and the House of Representatives should consider hearings by the relevant committees.

—*Mike Gonzalez is a Senior Fellow in the Douglas and Sarah Allison Center for Foreign Policy, of the Kathryn and Shelby Cullom Davis Institute for National Security and Foreign Policy, at The Heritage Foundation.*