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Rajiv Shah, a 37-year-old physician, oversees nearly 9,000 employees as head of the U.S. Agency for International Development, which has struggled and shrunk since its 1960s heyday. STEPHEN MALLY FOR THE NEW YORK TIMES

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WASHINGTON

## Haiti and Pakistan crises have given young official chance to prove mettle

BY MARK LANDLER

A few days after Rajiv Shah was sworn in as the head of the U.S. Agency for International Development, he stopped by to see its rapid response center, a high-tech command post for disaster relief, which on that day stood empty and still.

Twelve hours later, an earthquake devastated Haiti, and for the next two months the center became Dr. Shah's round-the-clock home. A brainy, 37-year-old physician with little government experience, he suddenly found himself coordinating a desperate emergency relief effort under the gaze of President Barack Obama.

The pace has barely let up since: catastrophic floods in Pakistan, the surge of aid workers into Afghanistan, a top-to-bottom review of U.S. foreign assistance — all have heavily involved Dr. Shah, turning him into one of the administration's most visible foreign-policy players.

But for this politically astute son of Indian immigrants from Ann Arbor, Michigan, who is now the highest-ranking Indian-American in the Obama administration, it is his ambitious campaign to rebuild Usaid that will ultimately determine his success or failure in Washington.

"He's inherited leadership of an agency that was nearly broken over the last two decades," said Richard C. Holbrooke, the special representative for Afghanistan and Pakistan, who accompanied him on a helicopter tour of Pakistan's swamped landscape. While Mr. Holbrooke said Dr. Shah had a "limitless future," he added, "He's going to be tested like few others are in government."

Interviews with several Usaid employees suggest that Dr. Shah has begun to re-energize the agency in the last 10 months. His efforts got a major lift from the White House, which recently issued a new development policy that pledges to restore Usaid as Washing-

ton's premier aid agency.

"The initial reaction was 'Oh my God, he's so young,'" said Pamela White, a 29-year veteran of Usaid who just completed a tour as mission director in Liberia. "But that never bothered me. We desperately need to look up to someone who can put us in a position to be a worldwide leader in development."

The heyday of Usaid dates from before Dr. Shah was born. In 1968, it had 18,000 workers running programs in Latin America, Southeast Asia and Africa — a vibrant legacy of John F. Kennedy's call for the United States to reach beyond its borders. But after years of debilitating budget cuts that drove away many talented people, the agency now has fewer than 9,000 employees. During the George W. Bush administration, it lost its policy-making role to the State Department. Defense Secretary Robert M. Gates, who has pushed for a bigger civilian role in war zones, lamented recently that Usaid had become a glorified contracting agency.

As the agency has withered, wealthy private philanthropies like the Bill & Melinda Gates Foundation have taken its place as leaders in development. So it is perhaps no accident that Dr. Shah is an alumnus of the Gates Foundation, where he ran its agriculture program and developed a \$1.5 billion fund to finance vaccinations.

"There were things we were able to do at the Gates Foundation that were super-exciting," Dr. Shah said in an interview. "You could actually say, 'O.K., my goal is to solve AIDS, and how would you solve AIDS analytically?' You didn't have to worry about the politics."

At the same time, Dr. Shah acknowledges he was always drawn to the political arena. The son of a Ford Motor engineer and a school administrator, he graduated from the University of Michigan and the University of Pennsylvania medical school but soon became a health policy adviser to Al Gore's presidential campaign. A staunch supporter of Mr. Obama's candidacy, he said he viewed his election as a Kennedy moment — worth trading weekend hikes in Washington State for the Beltway slog of Washington. His wife, Shivam Mallick Shah, has a senior post in the Depart-

ment of Education.

"I'm a chronic complainer when we're not in power," Dr. Shah said of his decision to join the government. "I believe that these moments in history, when you have this kind of president, are rare."

A soft-spoken man with a toothy but almost bashful smile, Dr. Shah can be deferential in public appearances with higher-level officials. But he is not shy about his plans for Usaid, saying he is determined to bring better monitoring and analytical rigor to the agency. Some programs, he noted, get funded year after year, even if they are failing. He wants to implant Gates-style entrepreneurialism, championing ideas that come from beyond its usual circle of contractors. At town-hall meetings, Dr. Shah is equal parts evangelist and wonk, talking passionately about Usaid's future

### Washington's highest-ranking Indian-American has gained visibility with an ambitious campaign to rebuild Usaid.

while larding his vocabulary with corporate-speak words like "metrics."

"He's very dynamic and very smart," said Martin J. Fisher, the chief executive of KickStart, a nonprofit organization that makes a low-cost pump that farmers use to irrigate their fields. "But he's got a huge bureaucracy he's fighting against, and a lot of vested interests."

Dr. Shah also has to contend with a boss, Secretary of State Hillary Rodham Clinton, who has a deep interest in development and has largely won an internal administration debate over whether Usaid should be more independent or stay under the influence of the State Department.

Mr. Holbrooke, for example, still signs off on aid for Afghanistan and Pakistan — an authority he picked up because Usaid was leaderless for months and because, he said, the programs there were a mess.

The State Department has almost finished an exhaustive, yearlong review of diplomacy and development, which will reinforce Usaid's expanded role but

lash it even more firmly to the State Department.

"To the extent that State maintains firm control over Usaid, it can make it difficult for any agency to revitalize itself," said Connie Veillette, director of the program for rethinking foreign assistance at the Center for Global Development, an independent research group. "Usaid needs to have a stronger voice."

But there are advantages to being so closely aligned with Mrs. Clinton. Usaid is seeking funds to hire an additional 1,200 Foreign Service officers, and few people have as much clout on Capitol Hill.

Dr. Shah said critics in development circles were too focused on organizational charts; what matters is that he is in sync with Mrs. Clinton and Mr. Holbrooke. Mrs. Clinton has become his strongest champion, according to one of her senior advisers, Philippe Reines.

The agency has also managed to wrest back some control, setting up its own policy-planning shop and a small budget office, which Dr. Shah said will give it more say over its finances.

With Usaid engaged in so many places, many of Dr. Shah's headaches stem from being too much in demand. The agency has nearly 400 Americans in Afghanistan, which has made it difficult to fill jobs in Africa.

Dr. Shah himself spends a quarter of his time on Afghanistan, but like other senior officials he plays down expectations. "We have to be honest with ourselves about what is the goal of different programs," he said.

As he learns the ropes, Dr. Shah has other influential backers, not least Mr. Obama, who got to know him during meetings about the Haiti crisis in the White House Situation Room and announced the new development policy himself at the United Nations.

"As a government, we have a coherent strategy for the first time since J.F.K.," said David Beckmann, president of Bread for the World, which advocates aid to alleviate hunger and poverty. "The only good thing that came out of the Haiti earthquake," he added, "is that it raised Raj Shah to be a partner of the president."