Q&A: Understanding the USAID Shut Down and "Pause" in U.S. Foreign Assistance

Updated on Feb. 6, 2025

1. What Is USAID and How Did It Begin?

Answer:
The U.S. Agency for International Development (USAID) was established on **November 3, 1961**, under President John F. Kennedy. Congress and the White House recognized that to strengthen America's foreign policy and global standing, the U.S. needed a dedicated civilian agency to administer development aid and humanitarian assistance. USAID's founding vision was to promote social, economic, and political progress in developing nations—reducing poverty and mortality rates, preventing conflicts and epidemics, and fostering goodwill toward the United States.

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2. Why Is U.S. Foreign Assistance Important?

Answer:

- **Measurable Results:** Since 1990, American foreign assistance programs (including USAID initiatives) have helped lift over **1 billion people** out of extreme poverty and cut maternal, infant, and child mortality rates by nearly half.
- **Cost-Effective:** These achievements account for **less than 1%** of the U.S. federal budget. In Fiscal Year 2023, USAID spent about **$40 billion** across more than 130 countries—a high-impact investment in health, stability, and democracy.
- **Serves U.S. Interests:** Aid fosters stable, prosperous societies that eventually become trading partners, while also preventing the spread of conflict and disease to American shores.

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3. How Is USAID Monitored and Held Accountable?

Answer:

- **Rigorous Oversight:** USAID is one of the most audited federal agencies. It undergoes regular reviews by the Government Accountability Office (GAO) and its own Office of Inspector General (OIG), as well as oversight by Congress.

- **Stringent Partner Requirements:** Organizations and contractors that receive USAID funding face strict financial and performance audits, ensuring compliance and transparency.
- **Comparison to Other Agencies:** The Pentagon, with a budget roughly 20 times larger, has **never** undergone a full agency-wide audit. Most defense programs are audited only every 2–5 years. USAID programs and financials, in contrast, are reviewed far more frequently.
- **Past Review of USAID Programs and Foreign Assistance:** USAID programs have occasionally been paused, scaled back, or shut down for review, though such actions are rare and usually targeted. They typically result from shifts in foreign policy, budget constraints, concerns about cost effectiveness, or geopolitical factors. It's also common for new administrations to reshape foreign aid by reevaluating policies and appointing new personnel. What's unprecedented is the Trump administration's sweeping freeze and stop-work order, which lacked planning or regard for lifesaving programs. To put it in perspective, shutting down federal agencies and foreign aid to "review" their efficiency is like closing every hospital emergency room for three months to check if staff follow protocol. Meanwhile, those in critical condition are left with nowhere to turn, and the so-called "review" does far more harm than any inefficiency ever could. Also troubling are the baseless attacks by the President and Elon Musk, who have repeatedly disparaged USAID's career professionals as "radical lunatics" and "criminal."

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4. What Is Happening With the "Stop-Work Order"? Is USAID "Dead"?

Answer:
Since taking office on **January 20, 2025**, President Trump, aided by Elon Musk in a politically appointed special "government efficiency" role, issued an unprecedented **90-day freeze** on U.S. foreign assistance and a **stop-work order** on USAID's operations. These directives:

- **Halted Funding and Projects:** USAID contractors worldwide were told to stop work; many staff have been furloughed or laid off.
- **Severed Critical Aid:** Efforts to combat epidemics, deliver emergency food aid, provide maternal health services, and stabilize conflict zones have stalled.
- **Impacts Americans:** Thousands of USAID civil servants and implementing partners in the U.S. lost work. Diplomats warn the freeze weakens America's influence, opening doors for adversaries like Russia and China.

Despite headlines suggesting USAID is "dead," **the agency has not been legally abolished**. However, the freeze and stop-work order have rendered many core functions inoperative:

- **Website and Payment Systems Offline:** USAID.gov went dark; partner payments halted abruptly.
- **Removal of Agency Branding:** USAID seals and logos are reportedly being replaced with State Department seals.
- **Staff Dismissals:** Senior leaders and experts were placed on leave or fired, sowing chaos within the agency.

- **Recall of Overseas Staff:** On February 5, USAID.gov was back online with a short statement: all direct-hire employees will be placed on administrative leave starting February 7, 2025, at 11:59 pm EST (except for a small group of to-be-designated essential staff). Those serving overseas must return within 30 days, with nonessential contracts terminated. Certain exceptions (e.g., medical, personal hardships, safety) require special approval. Essential personnel will be notified separately.

Though **not formally dissolved**, USAID now operates in **an extremely diminished capacity**, which legal experts argue is an **unconstitutional overreach** that risks undermining Congress's power of the purse and the rule of law.

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5. Are the President and Elon Musk Legally Allowed to Freeze or Shut Down USAID?

Answer:
Several constitutional and statutory safeguards prevent the executive branch from defunding or dissolving a federal agency—particularly one **explicitly created and funded by Congress**.

- **Impoundment & the Power of the Purse**
    - **Constitutional Background:** The Constitution grants Congress exclusive authority over federal spending. Once Congress appropriates funds, the executive must spend them as directed.
    - **Impoundment Control Act (ICA) of 1974:** Enacted to prevent presidents from unilaterally withholding or deferring funds. Any permanent cancellation (rescission) or temporary delay (deferral) requires formal processes with congressional notification and approval.
    - **No "Inherent" Executive Power to Withhold Funds:** Court rulings, GAO opinions, and DOJ memos (including one by Chief Justice William Rehnquist) confirm that the President cannot ignore Congress's spending mandates.
- **Dissolving a Congressionally Established Agency**
    - **Statutory Creation:** While USAID began under an executive order in 1961, Congress agreed to fund it and reinforced its independence—most notably via the Foreign Affairs Reform and Restructuring Act of 1998. Only Congress can legally abolish or merge an agency it has codified in law.
    - **Employment Protections:** Thousands of civil servants and contractors have due process rights. Indefinite suspensions or dismissals without legal basis risk violating federal regulations and contractual obligations.

Key Takeaway: Neither the President nor an appointee like Elon Musk can single-handedly impound funds or shutter USAID. Such actions are **widely viewed as unconstitutional and unlawful**, infringing upon Congress's constitutional powers.

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6. What Are Concrete Examples of USAID's Work in Iraq?

Answer:
Since 2003, USAID has played a vital role in Iraq's stabilization and recovery, supporting recovery, economic development, emergency humanitarian assistance, and civil society, particularly in areas affected by conflict, terrorism, and mass displacement. Here are three examples:

- **Explosive Hazard Clearance (2003–ongoing)**
    - Cleared landmines, unexploded ordinances (UXO), and Explosive Remnants of War (ERW) from more than 100 square miles of land since 2003. This includes the clearance of 20 square miles of land in Sinjar and other areas formerly held by ISIS, enabling safe returns for displaced families.
    - Trained and deployed local demining teams in Iraq, creating jobs and building long-term capacity for explosive hazard management.

  Historically, USAID and the EU have been the world's largest funders of demining efforts in Iraq and around the world, supporting **UNMAS**, **the HALO Trust**, **MAG (Mines Advisory Group)**, and others. Iraq is among the most heavily mined countries in the world with at least 1,100 square miles of territory recorded to be contaminated with explosive hazards, resulting in more than 10,000 deaths and some 24,000 injuries over the past two decades.

- **Community Development—helping stabilize communities and save lives (2003–2012)**
    - Completed over **10,000 small-scale, community-driven projects** (e.g., clean water, sanitation, schools, healthcare) across all 18 governorates in Iraq, cumulatively **benefiting tens of millions**.
    - Established or revitalized **1,900 local councils**, empowering communities to address urgent needs.

- **Genocide Recovery and Persecution Response (2018–Ongoing)**
    - Supported survivors, including ethnic and religious minorities targeted by ISIS (Yazidi, Christian, Shabak, Turkmen), by providing reconstruction, trauma support, and economic assistance to help rebuild lives and communities.
    - Repaired thousands of homes and critical buildings, rehabilitated schools and water/electric networks, and delivered psychosocial services, benefiting more than **500,000** Iraqis.

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7. What Are Concrete Examples of USAID's Work around the world?

Answer:
USAID's programs span diverse sectors. Below are examples from around the world:

- **Disease Monitoring & Prevention**
    - Tracks bird flu in 49 countries, including outbreaks reaching the U.S.

    - Funds eradication programs for polio, tuberculosis, malaria, and tropical diseases—preventing deadly epidemics.

- **Humanitarian Assistance & Famine Prevention**
    - Funds relief programs in conflict zones (e.g., Somalia, Yemen).
    - FEWS NET: The "gold-standard" famine-monitoring system. On Jan. 31, *The Guardian* reported FEWS NET went offline due to the freeze, leaving humanitarian groups "flying blind."

- **Disaster Relief & Recovery**
    - Mobilizes after natural disasters, distributing food and medical supplies while aiding reconstruction.

- **Economic Growth & Market Development**
    - Trains smallholder farmers (e.g., Malawi, Kenya) in climate resilience and improved seeds.
    - Guides conflict-affected areas away from illicit drug crops to sustainable, legal livelihoods.

- **Health Care & Maternal Services**
    - Provides HIV/AIDS treatments to millions, including pregnant women, through initiatives like PEPFAR.
    - Delivers vaccines and prenatal care for mothers and infants worldwide.

- **Counter-Narcotics & Security Assistance**
    - Trains law enforcement in countries like Mexico and Colombia to fight drug trafficking.
    - Stabilizes volatile regions through counter-terrorism partnerships.

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8. What's the Difference Between the State Department and USAID—And How Does U.S. Foreign Assistance Work Overall?

Answer:
U.S. foreign assistance is **broader** than just USAID, spanning multiple agencies and funding streams. Key distinctions include:

- **U.S. Foreign Assistance Ecosystem**

    - **Appropriators:** Congress allocates foreign aid funding across various accounts, often specifying which agency or program will implement.

    - **Multiple Implementers:** While **USAID** is the primary civilian aid agency, the **State Dept.** also oversees significant portions of foreign assistance (e.g., refugee aid through the Bureau of Population, Refugees, and Migration). Additionally, **other agencies** (e.g., Dept. of Agriculture, Dept. of Health and Human Services) administer specialized programs.

    - **International Organizations:** The U.S. often channels funds through **UN agencies** (e.g., UNICEF, WFP) or other international bodies to deliver assistance globally.

- **State Department vs. USAID**

- **Mandates:**
    1. **State Department:** Manages diplomacy, foreign policy, and consular affairs. Negotiates treaties, oversees embassies, and represents the U.S. on the global stage. Also administers some foreign aid aligned with diplomatic priorities.
    2. **USAID:** Established by Congress as an *independent* agency specifically to deliver humanitarian and development assistance guided by principles of neutrality and impartiality. Focuses on long-term poverty reduction, health, economic growth, and civil society support.
- **Funding vs. Implementation vs. Oversight:**
    1. **Funding:** State and USAID funds typically come from different "budget accounts," though State can sometimes direct or coordinate allocations.
    2. **Implementation:** USAID generally implements (or contracts out) development programs. State oversees diplomatic goals and can use its own programs or partner with USAID for certain initiatives.
    3. **Oversight:** Both agencies are subject to audits by GAO and Inspector Generals, but **USAID** is widely regarded as having especially rigorous project-level oversight and compliance requirements.

- **Why Does This Matter?**
    - **Largest Donor Role:** USAID is widely considered the "world's largest donor" of civilian development and humanitarian assistance, which gives the U.S. substantial influence.
    - **Humanitarian vs. Policy Goals:** While the State Department's foreign aid can directly serve immediate strategic or geopolitical interests, USAID's mission is more development- and humanitarian-centric and serves longer-term U.S. strategic interests. Merging or freezing USAID operations can blur these lines, potentially politicizing aid meant for impartial relief.
- **Is the U.S. Paying More Than Its Fair Share?**
    - **No.** While the United States may be the largest donor in absolute terms, it contributes considerably less as a portion of our national income. In 2023, the U.S. allocated only 0.24% of its $27.6 trillion Gross National Income (GNI) to overseas development assistance, ranking 25th among OECD countries. By comparison, Norway ranked 1st with a contribution of 1.09% of its GNI.

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9. Why Protecting USAID Ultimately Protects Americans

Answer:

- **Disease Prevention:** Unchecked outbreaks abroad can quickly reach the U.S. (e.g., Ebola, avian flu).

- **Conflict Reduction:** Stabilizing regions prone to terrorism or narcotics production curbs global threats.
- **Economic Opportunities:** Growing overseas markets become reliable consumers of U.S. exports, creating domestic jobs.
- **Moral Leadership:** USAID's humanitarian efforts project American values of democracy and generosity.

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10. What Can Americans Do to Help?

Answer:
The USAID shutdown and pause in U.S. foreign assistance are outrageously irresponsible and threaten both lives and global stability. This must be challenged in every possible way—from filing lawsuits to demanding that Congress stand up to the White House.

- **Contact Elected Officials:** Urge Congress to act now to end the freeze on U.S. foreign assistance, including life-saving programs, and restore USAID's funding and independent mandate. We recommend calling your Members of Congress directly:
  * U.S. House of Representatives: 202-225-3121, http://www.house.gov/
  * U.S. Senate: 202-224-3121, http://www.senate.gov/
  * Refugees International has an excellent online action page: http://refugeesinternational.org/actions/tell-your-member-of-congress-save-usaid-save-lives
- **Sign Petitions & Speak Out:** Support campaigns calling for reversing the freeze and preserving American jobs linked to foreign aid. A petition was started by a group of long-time development workers and consultants who we trust: https://www.usaidstopwork.com
- **Stay Informed & Fact-Check:** Keep track of reliable outlets like *ProPublica*, *The Guardian*, *Devex*, and impacted nonprofit organizations like EPIC for real-time updates.
- **Support Nonprofits:** Organizations losing USAID funds need private donations to keep essential projects afloat. Charity Navigator has compiled a partial list of impacted charities: https://www.charitynavigator.org/landing-pages/usaid-freeze

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*Note: This Q&A is compiled from multiple sources, including reports by **Brookings**, the **U.S. Global Leadership Council**, firsthand reporting by **ProPublica** and **The Guardian**, and public **USAID** and other government records predating the current freeze.*

For a deeper dive, we recommend this report: https://crsreports.congress.gov/product/pdf/R/R48150

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