



USAID IN MENA: A REQUIEM


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A worker removes the U.S. Agency for International Development sign on their headquarters on February 07, 2025, in Washington, DC. (Photo by Kayla Bartkowski / GETTY IMAGES NORTH AMERICA / Getty Images via AFP)

The Trump Administration began the morning of February 3, 2025, by telling staff and contractors of the United States Agency for International Development (USAID) to stay home. Elon Musk and his team at the newly minted Department of Government Efficiency (DOGE) spent the day digging through staff computers, digital records, and accounts seeking information on programs they felt were wasteful or not aligned with the new administration's priorities.¹ Musk pronounced on social media that the agency was beyond repair and needed to be shut down. For good measure — and without citing any tangible evidence — he also disparaged it as a “criminal organization” and “a viper’s nest of radical-left marxists who hate America.”¹

¹ DOGE is technically not a department, which would require an act of Congress to create, and has taken over the formerly named United States Digital Service in the President's Executive Office.



As with other recent Administration pronouncements on Greenland, tariffs, and the Panama Canal, observers were left pondering how much of this attack on USAID was posturing and how much reflected serious intent. It now appears that both Musk and President Donald Trump have every intent of dismantling USAID and placing any residual humanitarian and health-related functions under the State Department. Secretary of State Marco Rubio has since stated that the agency will be under his purview. Out of 10,000 staff and contractors, less than 300 are slated to be retained;² staff posted abroad will have 30 days to return to the United States;³ all of its programs have been frozen; its website and social media accounts have been shut down; and staff and members of Congress have been denied access to the agency's Washington headquarters.⁴ The USAID logo was even removed from its offices. Without Congressional authorization, the legality of these steps is dubious and will be subject to adjudication by the courts.⁵ However, this legal process will take time; meanwhile, the Administration will move forward on their agenda of institutional deconstruction.

Whether the Trump Administration's actions ultimately pass legal muster or not, they will have an enduring and pernicious impact on both U.S. foreign policy and the broader Middle East and North Africa (MENA) region. USAID funds have helped to prevent starvation and pestilence in war-torn zones such as Gaza, Syria, and Yemen; combat radicalization in Morocco; and develop private-sector jobs for youthful and restless populations in Egypt and Jordan. Their abrupt termination will create a gap that will not be filled easily and could make an already volatile region even more unstable.

USAID's Contributions to MENA

USAID has historically contributed a significant share of its foreign aid funding to countries in the region. Out of \$13.8 billion in bilateral development and humanitarian aid disbursed to the MENA region in 2022,⁶ USAID contributed around 27 percent.⁷ In 2024, USAID's MENA-targeted funds

were earmarked at \$4.2 billion,⁸ up from \$3.7 billion in 2023.⁹ Around half of the agency's 2024 obligations—\$2.0 billion—were committed to humanitarian aid, which was heavily concentrated in Gaza, Iraq, Syria, and Yemen.¹⁰ Around \$1 billion went towards economic development, which flowed to traditional U.S. allies such as Egypt and Jordan.¹¹ Since October 2023, USAID has provided over \$2.1 billion in assistance to Gaza, including food aid, emergency healthcare — along with funding for two field hospitals — and water and sewage access.¹²

USAID has also played a significant role in supporting market-oriented reforms and regulations that have enabled private sector growth in MENA states. It has supported efforts to improve governance, build institutions, and combat corruption. It has invested heavily in educational initiatives, particularly those involving women and girls. Some USAID programs in the MENA region include the following:

- Humanitarian assistance in Iraq has focused on helping refugees from formerly ISIS-controlled areas to access safe drinking water, sewerage, shelter, and critical nutritional needs, including \$3 billion to support 1.2 million internally displaced individuals, five million returnees, and 300,000 non-Iraqi refugees.¹³
- The United States has been the largest provider of foreign aid to Syria, contributing more than \$18 billion in humanitarian assistance since 2011, including \$1.2 billion in 2024. Recent funding has supported humanitarian and emergency response efforts, with \$76.8 million allocated for refugee and conflict victim support, \$34.7 million for humanitarian aid like food and nutrition, and \$20.2 million for emergency food assistance and related services.¹⁴ As Syria returns to stability, USAID would have provided important support for redeveloping the country and building a sustainable economic and social foundation for the future.¹⁵

- USAID sought to support Yemen's political and economic stabilization by providing technical and financial assistance to its central bank, helping to stabilize the rial. Over the course of the civil war, USAID has improved access to education, clean water and sewage, and medical care as domestic capacity in these sectors fragmented.¹⁶
- In Morocco, USAID has provided \$12.9 million to support recovery efforts in the wake of the 2023 earthquake.¹⁷ More long-term programmatic work has sought to improve youth empowerment, economic resilience, responsiveness to climate change, and food security.
- In Jordan, USAID has worked with local partners promoting small business development and job creation, working with the Jordan Investment Commission and other stakeholders to develop regulations and business-support services that enable access to capital, encourage investment, and promote entrepreneurship.¹⁸ USAID has also supported efforts at decentralization and municipal development, while promoting women's economic and political empowerment and improving the quality of healthcare delivery.¹⁹
- Improving agricultural productivity and developing value-chains along the rural economy have been high priorities in Egypt.²⁰ USAID has helped Egypt to develop its digital ecosystem and improve infrastructure to allow the country to become an important information and communications technology (ICT) hub for the region.²¹ USAID's programs have also helped reduce infant and maternal mortality, improve literacy, and train youth with marketable skills.²²

In the wake of the Hamas attacks on October 7 and Israel's subsequent regional military response, public opinion in many MENA countries has turned strongly against the United States and now favors China's approach to the region.²³ Yet, U.S. foreign aid remains generally popular, with solid majorities in Morocco, Jordan, and Lebanon viewing it as playing

an important role in areas such as strengthening education and civil society. Without this aid, the image of the United States across the region will further deteriorate, while China garners growing support as a geopolitical and economic partner.

The Need for Reform

USAID was not without its skeptics, and a diverse array of critics have questioned various aspects of the agency's operations. American conservatives have long chafed at the diversion of U.S. resources abroad, despite a significant amount of USAID funding being spent on U.S. products and companies. Conservatives have also criticized recent USAID support for reproductive rights and LGBT issues, as well as various Diversity, Equity, and Inclusion (DEI) efforts.

Others have claimed that the agency spends too much on U.S. firms and would be better served devoting a higher proportion of its resources to local partners. Many argue that USAID has been captured by a small group of large development firms, often referred to as Beltway Bandits, who maintain the capacity to manage large-scale USAID projects and have a record of effective delivery.²⁴ In their view, it is difficult for new and innovative firms, foreign and domestic, to break into USAID's network of service providers.

Still other critics have argued that U.S. assistance has flowed to support corrupt and/or authoritarian regimes, or that it is captured by elites in developing countries and does not reach the poor who really need it. Or that foreign aid itself is often wasteful, inefficient, and ineffective. More radical voices have argued that the agency is a front for U.S. imperial interests. The accuracy of these critiques has been contested, but they have had an impact on how USAID is perceived.²⁵

While most Americans are generally supportive of foreign aid, they are not well informed about the size and scope of their country's foreign assistance

programs.²⁶ Opinion polls have shown that, when asked what proportion of the federal budget that foreign assistance makes up, most estimate it to be around 25%. When asked what it should be, most say around 10%.²⁷ In 2024, funding for USAID stood at around \$39 billion,²⁸ or less than one percent of the federal budget. The United States provides more foreign aid to the developing world than any other country. However, international commitments between high-income countries have set a target of 0.7% of gross national income (GNI) for assistance to poor countries. USAID-directed aid amounts to less than 0.2% of U.S. GNI,²⁹ placing the country near the bottom of high-income countries in development aid when viewed by national income.ⁱⁱ

At one level, the decision to bring USAID under the aegis of the State Department is not surprising. Many countries, including Australia, Canada, and the United Kingdom, have struggled to find the appropriate balance between providing international assistance and ensuring that it is integrated within their broader foreign policy. Each of these countries has ended up folding their aid agency under their ministry for foreign affairs. Former Secretary of State Warren Christopher proposed such a move in Bill Clinton's first administration.³⁰ The size and scope of the actions being undertaken under the second Trump Administration, however, stretch way beyond a simple restructuring and involve the wholesale dismantling of the agency — “feeding USAID into the woodchipper” as Musk put it.³¹ On February 7, Donald Trump posted on Truth Social that the corruption in USAID “is at levels rarely seen before” and demanded — in caps, lest anyone miss the emphasis—“CLOSE IT DOWN!”³²

For those who value good governance and the rule of law — principles the United States has spent the past 20 plus years preaching loudly in MENA countries — two elements of this decision are particularly galling.

The first is how it was made, including the superficial analysis and performative nature underlying it. There was no detailed fact-finding or careful sifting through the many rigorous cost-benefit analyses of USAID programs to probe their effectiveness. There was no thorough interagency review process that carefully explored options and implications of drawing down aid operations. And there was no detailed plan to wisely wind down USAID operations in a way that ensures that U.S. taxpayers receive optimal value for expenditures that were in progress or had already been made. A recent USAID Inspector General report, for example, noted that \$489 million in foodstuffs provided as humanitarian aid is now at risk of spoilage.³³ Instead, Elon Musk, an unelected, unconfirmed billionaire and a team of 19-24-year-old techies — most of whom had never worked in government and some of whom had not graduated from college — spent a few days going through the line items in USAID's budget to identify programs with the greatest shock-value for conservatives.³⁴ Unfounded allegations of massive fraud and corruption were then broadcast widely across social media with no concrete evidence.³⁵

The second is the draconian nature of the result. The DOGE team latched on to a handful of small initiatives comprising a fraction of USAID's small budget and used them as a pretext for arguing that the entire agency is a “bowl full of worms” — to use Musk's chosen metaphor.³⁶ Reasonable people can differ on the efficacy of spending U.S. taxpayer dollars to advance the LGBT agenda in Guatemala or to teach Sri Lankan journalists how to avoid “binary-gendered language.”^{iii 37} But it would have been a relatively easy task to excise these programs while still allowing USAID's good work to remain intact. To use them as a pretext for shuttering an entire agency and ending billions in humanitarian assistance to vulnerable populations in MENA is both a crime and a blunder.

ii. The average foreign aid provision for high-income countries is around 0.4% of GNI. Only Norway, Sweden, Luxembourg, Denmark, and the United Kingdom exceed the 0.7% target. This does not include other forms of aid, like military aid, where US contributions are much higher.

iii. These and other allegations were circulated widely on conservative media. Detailed analysis subsequently revealed that a number of them, such as the allegation that USAID had spent \$50 million on “condoms for Hamas” were factually wrong, wildly exaggerated, or taken out of context. While the \$7.9 million media empowerment program in Sri Lanka, for example, did address gender issues, including avoiding binary-gendered language, the bulk of the program focused on building the capacity of journalists and media outlets through media exchanges, training in investigative journalism, and similar initiatives.

Conclusion

Perhaps a way will be found to continue the most important USAID programs. U.S. NGOs and civil society — potentially aligned with U.S. business and agricultural interests — can fight for the immediate release of humanitarian funding, continued food aid to vulnerable populations, and upholding the contractual commitments to U.S. businesses that provide this aid. MENA countries that have benefited from USAID support for development programs could reach out to the new administration with the goal of emphasizing gains and core missions of aid as well as the risks of discontinuing it. But all of this will be patchwork; relief will come late and only partially, if at all.

The region is now likely to witness dislocation and disruption on a scale that will dwarf the modest bureaucratic and fiscal gains from shutting down USAID's work in MENA, whose funding in 2023 comprised less than 7 cents out of every \$100 spent in the federal budget.^{iv} U.S. assistance will not be available to help shape the future in the region's post-conflict countries, or to build private sectors tied into global manufacturing chains or oriented as markets for American products. The door will be open for China to continue expanding its influence throughout the region, and for Russia and Iran to find new toeholds and overcome their recent setbacks. Radical movements, always ready to profit from misery and despair, may find opportunities to expand their influence and operations. It is not surprising that all these actors have welcomed this move.

More tragically, tens or hundreds of thousands of the most vulnerable and at-risk Palestinians, Yemenis, and Syrians may succumb to hunger and disease, creating further dislocation in a region that is already one of the most conflict-prone in the world. For all its flaws, USAID was an indispensable part of American soft power and made the world a better and safer place. It will be missed both in MENA and beyond.

^{iv} The US Government budget in 2023 was \$6.1 trillion (see: "The Federal Budget in Fiscal Year 2023: An Infographic," Congressional Budget Office, March 5, 2024, <https://www.cbo.gov/publication/59727>), and total USAID disbursements to MENA in 2023 amounted to \$3.924 billion (see: ForeignAssistance.gov, "Dashboard, Funding Phase: Disbursements, Fiscal Year: 2023, Managing Agency: U.S. Agency for International Development, Region: Middle East and North Africa." www.foreignassistance.gov).

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