



U.S. Agency for International Development

The United States Agency for International Development (USAID) is an independent agency of the United States government that was responsible for administering civilian foreign aid and development assistance from 1961 to 2025.

Organisation

USAID is organized around country development programs managed by resident USAID offices in developing countries ("USAID missions"), supported by USAID's global headquarters in Washington, D.C.

USAID was established in 1961 during the Cold War by President John F. Kennedy to counter the Soviet Union with soft power across the world. USAID implemented programs in global health, disaster relief, education, economic development, environmental protection, and democratic governance. With average annual disbursements of about \$23 billion from 2001 to 2024, USAID had been one of the world's largest aid agencies and accounted for most U.S. foreign assistance. This had been the highest in the world in absolute dollar terms, with missions in over 100 countries.

In 2025, the Trump administration cancelled 83% of USAID programs and laid off 94% of staff. Since July 1, 2025, the U.S. Department of State has administered U.S. foreign assistance.^[9] The agency legally and formally still exists; congressional authorization is required to formally abolish it.

Creation (1961) and reorganization (1998)

Congress passed the Foreign Assistance Act on September 4, 1961, which reorganized U.S. foreign assistance programs and mandated the creation of an agency to administer economic aid. The goal of this agency was to counter Soviet Union influence during the Cold War and

to advance U.S. soft power through socioeconomic development. USAID was subsequently established by the executive order of President John F. Kennedy, who sought to unite several existing foreign assistance organizations and programs under one agency. USAID by law is placed under "the direct authority and policy guidance of the Secretary of State".

Congress established USAID as a functionally independent executive agency with the Foreign Affairs Reform and Restructuring Act of 1998, which gave the President 60 days to abolish or reorganize USAID. Within this time, President Bill Clinton reorganized USAID and retained its independence from the U.S. Department of State.

Purposes

USAID's decentralized network of resident field missions was drawn on to manage U.S. government programs in low-income countries for various purposes.

- Disaster relief
- Poverty relief
- Technical cooperation on global issues, including the environment
- U.S. bilateral interests
- Socioeconomic development

Disaster Relief

Some of the U.S. government's earliest foreign aid programs provided relief in war-created crises. In 1915, U.S. government assistance through the Commission for Relief in Belgium headed by Herbert Hoover prevented starvation in Belgium after the German invasion. After 1945, the European Recovery Program championed by Secretary of State George Marshall (the "Marshall Plan") helped rebuild war-torn Western Europe.

Poverty Relief

After 1945, many newly independent countries needed assistance to relieve the chronic deprivation afflicting their low-income populations. USAID and its predecessor agencies have continuously provided poverty relief in many forms, including assistance to public health and education services targeted at the poorest. USAID has also helped manage food aid provided by the U.S. Department of Agriculture. Also, USAID provides funding to NGOs to supplement private donations in relieving chronic poverty.

Global issues

Technical cooperation between nations is essential for addressing a range of cross-border concerns like communicable diseases, environmental issues, trade and investment cooperation, safety standards for traded products, money laundering, and so forth. The United States has specialized federal agencies dealing with such areas, such as the Centers for Disease Control and the Environmental Protection Agency. USAID's special ability to administer programs in low-income countries supported these and other U.S. government agencies' international work on global concerns.

Environment

Among these global interests, environmental issues attracted high attention. USAID assisted projects that conserve and protect threatened land, water, forests, and wildlife. USAID also assists projects in reducing greenhouse gas emissions and building resilience to the risks associated with global climate change. U.S. environmental regulation laws require that programs sponsored by USAID should be both economically and environmentally sustainable.

U.S. national interests

Congress appropriates exceptional financial assistance to allies to support U.S. geopolitical interests, mainly in the form of "Economic Support Funds" (ESF). USAID is called on to administer the bulk (90%) of ESF and is instructed: "To the maximum extent feasible, [to] provide [ESF] assistance ... consistent with the policy directions, purposes, and programs of [development assistance]."

Also, when U.S. troops are in the field, USAID could supplement the "Civil Affairs" programs that the U.S. military conducts to win the friendship of local populations. In these circumstances, USAID may be directed by specially appointed diplomatic officials of the State Department, as has been done in Afghanistan and Pakistan during operations against al-Qaeda.

U.S. commercial interests are served by U.S. law's requirement that most goods and services financed by USAID must be sourced from U.S. vendors. American farms supplied about 41 percent of the food aid according to a 2021 report by the Congressional Research Service.

Socioeconomic development

To help low-income nations achieve self-sustaining socioeconomic development, USAID assisted them in improving the management of their own resources. USAID's assistance for socioeconomic development mainly provides technical advice, training, scholarships, commodities, and financial assistance. Through grants and contracts, USAID mobilized the technical resources of the private sector and other U.S. government agencies, universities, and NGOs to participate in this assistance.

Programs of the various types above frequently reinforced one another. For example, the Foreign Assistance Act required USAID to use funds appropriated for geopolitical purposes ("Economic Support Funds") to support socioeconomic development to the maximum extent possible.

Technical assistance

Technical assistance included technical advice, training, scholarships, construction, and commodities. USAID contracts or procures technical assistance and provides it in-kind to recipients. For technical advisory services, USAID draws on experts from the private sector, mainly from the assisted country's pool of expertise and from specialized U.S. government agencies. Many host-government leaders have drawn on USAID's technical assistance to develop IT systems and procure computer hardware to strengthen their institutions.

To build indigenous expertise and leadership, USAID financed scholarships to U.S. universities and assists in the strengthening of developing countries' universities. Local universities' programs in developmentally important sectors are assisted directly and through USAID support for forming partnerships with U.S. universities.

The various forms of technical assistance were frequently coordinated as capacity-building packages for the development of local institutions.

Financial Assistance

Financial assistance supplied cash to developing country organizations to supplement their budgets. USAID also provided financial assistance to local and international NGOs who in turn give technical assistance in developing countries. Although USAID formerly provided loans, all financial assistance is now provided in the form of non-reimbursable grants.

In recent years, the United States had increased its emphasis on financial rather than technical assistance. In 2004, the Bush administration created the Millennium Challenge Corporation as a new foreign aid agency that is mainly restricted to providing financial assistance. In 2009, the Obama administration initiated a major realignment of USAID's own programs to emphasize financial assistance, referring to it as "government-to-government" or "G2G" assistance.

Public-private partnerships

In April 2023, USAID and the Global Food Safety Initiative (GFSI) announced a memorandum of understanding (MOU) to improve food safety and sustainable food systems in Africa. GFSI's work in benchmarking and standard harmonisation aims to foster mutual acceptance of GFSI-recognized certification programmes for the food industry.

Medical Oxygen

Uptake of oxygen from the air is the essential purpose of respiration, so oxygen supplementation is used in medicine. Treatment not only increases oxygen levels in the patient's blood, but has the secondary effect of decreasing resistance to blood flow in many types of diseased lungs, easing work load on the heart. Oxygen therapy is used to treat emphysema, pneumonia, some heart disorders (congestive heart failure), some disorders that cause increased pulmonary artery pressure, and any disease that impairs the body's ability to take up and use gaseous oxygen.

Treatments are flexible enough to be used in hospitals, the patient's home, or increasingly by portable devices. Oxygen tents were once commonly used in oxygen supplementation, but have since been replaced mostly by the use of oxygen masks or nasal cannulas.

Hyperbaric (high-pressure) medicine uses special oxygen chambers to increase the partial pressure of O₂ around the patient and, when needed, the medical staff. Carbon monoxide poisoning, gas gangrene, and decompression sickness (the 'bends') are sometimes addressed with this therapy. Increased O₂ concentration in the lungs helps to displace carbon monoxide from the heme group of haemoglobin. Oxygen gas is poisonous to the anaerobic bacteria that cause gas gangrene, so increasing its partial pressure helps kill them.

Decompression sickness occurs in divers who decompress too quickly after a dive, resulting in bubbles of inert gas, mostly nitrogen and helium, forming in the blood. Increasing the pressure of O₂ as soon as possible helps to redissolve the bubbles back into the blood so that these excess gasses can be exhaled naturally through the lungs. Normobaric oxygen administration at the highest available concentration is frequently used as first aid for any diving injury that may involve inert gas bubble formation in the tissues. There is epidemiological support for its use from a statistical study of cases recorded in a long-term database.

Source: USAID Website

