Navigating US foreign aid cuts: a donor's guide pt. 1

RETHINK PRIORITIES

THE COST OF CUTS

In January 2025, the US government initiated a 90-day pause on new foreign aid, with many effects:



of USAID programs terminated

20,000

additional AIDS deaths from March 7-20

according to an advocacy program tracker for the US President's Emergency Plan for AIDS Relief (PEPFAR) .

40% increase

in estimated malaria deaths in the next year

according to Nicholas Enrich, a former USAID staffer

Infrastructure dismantled

many highly effective organizations depend on the infrastructure (e.g. supply chains) provided by major donors like USAID to maximize their impact and achieve cost-effective results.

$240M

of medicine stalled

according to Chemonics, in a lawsuit against the US government.

Organizational shutdowns

Small organizations reliant on USAID that have been forced to shut down programs entirely. Even large entities like RTI, Chemonics, and DAI Global, owed tens of millions of dollars for past work, have furloughed hundreds of staff.

Supporting a cause?

Such as education, governance, or HIV/AIDS

Here are some considerations.

1. Evaluate the extent of US involvement before cuts

If the US has historically been a significant donor, there's a stronger case for funding today. We've collated foreign aid data from the US government showing past investments on our website.

2. Evaluate the likelihood that things will deteriorate quickly

If things will deteriorate quickly, there's a stronger case for funding today. We suggest starting with your intuitions, and building these out through desk research (see our worked example on our website), talking to experts, or hiring others to do this work for you.

3. Assess future support from all sources

If others are unlikely to fill a funding gap, there's a stronger case for funding today. A helpful starting point might be to look at The Budget Cuts Tracker on our website.

Read the full report on our website!

We've identified, but not vetted, the following funds below:

- Foreign Aid Bridge Fund
- GiveWell
- The Change Fund: Bridge Funding Window
- Keep the Lights On
- Development Innovation Ventures (DIV) Emergency Fund
- Rapid Response Fund

Questions about what this means for you? Our team can help. Email us: ghd@rethinkpriorities.org