What to Know About USAID, the Agency Elon Musk Wants Dead

The Trump administration moves to act on promises to cut aid to foreign countries

By Joseph Pisani and Betsy McKay Wall Street Journal

<u>Elon Musk</u>, the billionaire adviser to President Trump, <u>has targeted</u> the U.S. Agency for International Development as part of the Trump administration's push to slash federal spending.

This weekend, Musk's Department of Government Efficiency moved to exert control over the foreign-aid organization, clashing with security officials and ultimately accessing the agency's classified systems. The administration closed USAID's headquarters at the Ronald Reagan Building in Washington, D.C., to workers on Monday, instructing them to work remotely.

Trump said he planned to fold USAID into the State Department by executive order, and Secretary of State Marco Rubio told reporters Monday that he was the acting director of USAID. The administration removed the agency's website, USAID.gov, and placed it into a subsection of the State Department's website.

Musk suggested on his social-media platform X that he wanted to close down the agency entirely—and USAID's X profile was taken down.

Here's what to know about USAID:

What is USAID?

USAID provides financial aid to countries around the world—combating human trafficking, battling diseases, feeding people in places with famine and supporting American-allied countries affected by war, such as Ukraine. It also funds equipment, medicine and staffing in countries battling pandemics and disease outbreaks.

The organization gave assistance to about 130 countries in fiscal year 2023. The top 10 recipients were Ukraine, Ethiopia, Jordan, the Democratic Republic of Congo, Somalia, Yemen, Afghanistan, Nigeria, South Sudan and Syria. In Ukraine, for

instance, USAID funds farmers and pays to keep heat and electricity running when Russia attacks the country's infrastructure.

USAID buys corn, beans and rice from U.S. farmers to distribute to other countries. USAID said it bought 1.1 million metric tons of food from U.S. farmers and ranchers in 2023.

Can Musk shut down USAID?

Democrats, and some Republicans have said Musk doesn't have the authority to overturn programs and spending priorities decided by Congress.

President John F. Kennedy created the agency in 1961, based on a foreign-assistance law Congress passed that year. For decades, it was part of the State Department. Congress made it an independent agency in 1998.

Dissolving USAID as an independent agency would take another act of Congress, said Matthew Kavanagh, director of the Center for Global Health Policy & Politics at Georgetown University. Article I of the Constitution gives Congress the prerogative to create or abolish agencies, he said.

Rubio said Monday that <u>he would work with Congress to overhaul USAID</u>, and promised to review the agency's activities and operations. He told lawmakers the review may eliminate certain aid programs.

Two Democratic senators, Brian Schatz of Hawaii and Chris Van Hollen of Maryland, vowed to place <u>holds on the Trump administration's nominees</u> to serve at the State Department unless USAID was back up and running.

Why are Trump and Musk targeting USAID?

Gutting USAID fits into Trump's campaign promise to cut aid to foreign countries.

Republican critics say USAID is wasting taxpayer money on programs that promote liberal causes, such as abortion. USAID has said it is barred from funding abortions by law. It does fund post-abortion care for women to prevent maternal deaths, the agency has said. Rubio said Monday USAID's work has to be aligned with American foreign policy.

Musk called USAID corrupt without providing evidence. "USAID is a criminal organization," he wrote in one post on X. "Time for it to die."

Democrats say USAID saves lives and provides foreign aid quickly in times of crisis. USAID supporters also say the agency is an important tool of diplomacy, separate from foreign policy.

How big is USAID?

The agency had a budget of roughly \$44.2 billion in fiscal 2024, or 0.4% of the federal budget, according to USAspending.gov, which tracks government spending data. It has more than 10,000 workers. About two-thirds of them serve overseas, according to the Congressional Research Service.

What would happen if USAID were shut down or significantly diminished?

Large cuts in humanitarian aid could mean people outside the U.S. lose access to vaccines, food and maternal care, said Maryam Deloffre, associate professor of international affairs at George Washington University.

"I think the potential could be really catastrophic," said Deloffre. "I'm hoping we don't get to that point."

Moving the agency under the State Department could threaten its ability to execute its foreign aid mission. "Suggesting the State Department, which deals in policy, can morph into an effective operational humanitarian and aid agency is absurd," Kavanagh from Georgetown said.

This explanatory article may be updated periodically.