

Wall Street Journal, 1 Feb 2025

Trump to Order Aid Agency to Be Put Under State Department

Democrats say the move is illegal without congressional approval



Aid workers moving bags of yellow lentils in Ethiopia. PHOTO: JEMAL COUNTESS/GETTY IMAGES

President Trump is preparing an order to fold the U.S. Agency for International Development into the State Department, according to administration officials, previewing a move that throws the future of [America's foreign assistance into doubt](#) as Washington battles China for influence in the developing world.

The directive, which could come as early as next week, is expected to shrink the size of the 10,000-person, \$40 billion agency and rein in its autonomy, the officials said. It will give the State Department greater authority over the contracting and aid-distribution process, and put more decision-making power in the hands of Secretary of State Marco Rubio and his foreign-assistance team, officials said.

Democrats insist Trump doesn't have the unilateral authority to restructure USAID and further erode USAID's historically independent mission, as its existence is codified in federal law.

The deeper integration, should Trump successfully go through with it, would allow him to align foreign aid with his "America First" vision, advocates of the move say. The approach [could mean fewer funds for longstanding programs](#) to help poor nations develop their economies, strengthen the rule of law, cope with climate change and boost gender equality.

That could save billions of dollars but leave fragile societies more vulnerable and cede space to China, which has sought to influence others through its infrastructure projects around the world, former diplomats and USAID officials said.

As of Saturday afternoon, USAID.gov, the agency's website, was offline.

USAID and the State Department didn't return requests for comment. The National Security Council at the White House declined to comment.



President Trump departing from the White House on Friday. PHOTO: YURI GRIPAS – POOL VIA CNP/ZUMA PRESS

The idea for downsizing USAID, stripping it of its independence and merging it into the State Department has been discussed in Washington for years. The Project 2025 blueprint for the Trump administration called for fusing the two agencies together and included a proposal that would make the USAID chief simultaneously the head of State's foreign assistance office.

Proponents of USAID say that its separate status has enabled it to focus on its assistance and development mission. The emerging Trump plan marked a sea change from the Biden administration, which sought to elevate the role of USAID and gave its head, Samantha Power, a seat on its National Security Council.

The order is already facing political challenges, and it may face legal questions since money for USAID is appropriated by Congress and its authorities are ratified in the Foreign Assistance Act of 1961. While former President John F. Kennedy created USAID via an executive order, its independent status was codified in 1998 legislation and reaffirmed by Congress last year. Democrats insist that Congress must pass legislation before there is a bureaucratic reorganization.

“This’d be illegal and against our national interests,” Senate Minority Leader Chuck Schumer posted on social media Friday night as rumors about the planned order began to circulate.



The Biden administration sought to elevate the role of USAID and gave its head, Samantha Power, a seat on the National Security Council. PHOTO: HENNADII MINCHENKO/ZUMA PRESS

Other senior Democrats, including Sen. Jeanne Shaheen (D., N.H.) and Gregory Meeks (D., N.Y.), the top two Democrats on the Senate and House foreign affairs committees, urged the acting USAID boss in a Friday letter to ensure that his agency remains as separate from State as it is now.

The transition adds to the confusion at USAID, which issued “stop work” orders last week as part of a 90-day review of the U.S. aid programs. After an outcry about the broad scope of the freeze, Rubio issued a directive saying that “core life saving” programs providing medicine, medical care, food and shelter to needy countries could continue.

But multiple aid organizations, including those involved in combating AIDS, say that the execution of that order has been confusing and that some organizations haven't received the authorization to continue spending federal dollars. Hundreds of contractors have been laid off and around 60 senior staff were put on administrative leave.

An attorney who represents contractors and nongovernmental organizations that carry out foreign assistance programs, Robert Nichols, plans to file a lawsuit next week charging that the abrupt stop-work orders violate the administrative procedures act, which prohibits arbitrary agency actions.

Alima, a French aid group that provides healthcare services across Africa, had five of its 12 programs shut down from the stop-work order, according to Susan Shepherd, a senior adviser with the group. One of those paused programs, which provides medicine and maternity care to people in Mali, heard from a USAID official in the capital of Bamako that it couldn't use any more federal funds. That same official still hasn't said Alima could continue using federal dollars for the program, even after the waiver, Shepherd said.

"This is pointless chaos that will result in people dying," she said.

The man behind the stop-work order, Peter Marocco, is expected to play an outsized role in dictating the new working arrangement of USAID under State. Marocco, who was allegedly inside the Capitol with his wife during the Jan. 6 attack, is currently leading the foreign aid office and is known as an aid skeptic.

He is currently reviewing proposals from aid programs seeking waivers so they can continue their work, State and USAID officials said, creating a bottleneck that critics say is slowing down the aid-waiver process despite Marocco's promises internally to make decisions within 36 hours of receipt. The State Department declined to comment on behalf of Marocco.

State will also soon announce that it is shutting down consulates and other American diplomatic facilities abroad in Brazil, Germany, France and Italy. Two U.S. officials expressed concern that those closures will give China more influence in the cities Americans are leaving. One of them, Hamburg, home to a key German port, hosts a large Chinese consulate and is a major banking hub.

Gabriele Steinhauser contributed to this article.

Write to Alexander Ward at alex.ward@wsj.com, Michael R. Gordon at michael.gordon@wsj.com and Laura Kusisto at Laura.Kusisto@wsj.com