# How Funding Cuts to U.S. Global Health Initiatives Undermines American Interests

Dan M. Ford, Junior Research Fellow July 10, 2025

#### **OVERVIEW**

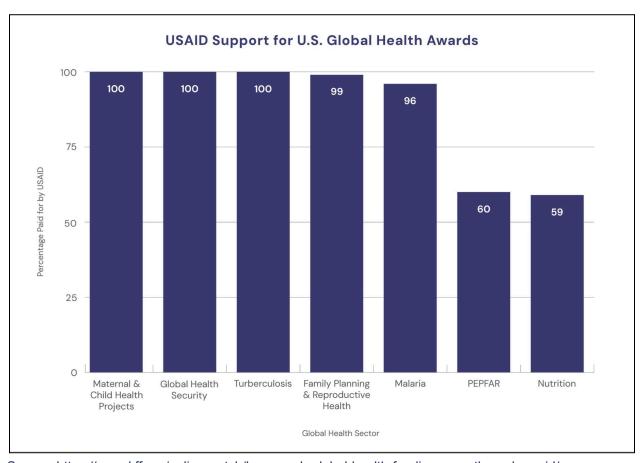
Among President Donald Trump's first orders of business following his inauguration on Jan. 20 was to <u>pause</u>, and then <u>cut</u>, federal funding for international aid. Although a number of federal departments and agencies engage in various kinds of U.S.—funded foreign aid projects, from economic development to military support to humanitarian projects, the principal federal agency obligated to carry out the U.S. government's foreign aid work, particularly as it relates to non-military aid, is the United States Agency for International Development, or USAID.

USAID has been the central focus of the president's cuts to U.S.–funded foreign aid. The administration has fired or placed on leave around <u>5,500 USAID employees</u> and has proposed cutting <u>86 percent</u> of the agency's awards. The administration has also taken away the agency's <u>quasi-independence</u>, <u>moving</u> what remains of USAID to the State Department, and giving the title of USAID administrator to Secretary of State Marco Rubio.

USAID's global health portfolio has had perhaps the greatest impact of all the agency's work on the well-being of people around the world.

A study by the <u>Center for Global Development</u>, or CGD, found that many of the sectors hardest hit by the USAID cuts are in the public health space, including an estimated 90 percent of awards categorized under Public Influenza and Other Emerging Threats, or PIOET. This is a subsector of public health that can directly affect Americans, given that influenza is highly contagious and easily spreads across borders.

Figure 1 shows the <u>percentage</u> of American bilateral global health assistance that comes from USAID.



Source: https://www.kff.org/policy-watch/how-much-global-health-funding-goes-through-usaid/

#### **AMERICAN INTERESTS**

Funding global health promotes American interests in three main ways:

First, it helps save American lives and protects U.S. industry at home and abroad. The world is interlinked and highly globalized, and disease spreads quickly, threatening the lives and livelihoods of millions of Americans. As Anthony McDonnell, a policy fellow for CGD's Global Health Policy team, put it in an interview with the author of this note, you can't "build a drawbridge and isolate a place from the world." The most restrictive laws were unable to stop the spread of COVID–19 and its impact on American lives, for example. The COVID–19 virus has infected over 103 million and killed more than 1.2 million Americans.

Second, investing in health projects helps reduce the chances of conflict occurring in geographic areas that have economic or security value to the United States. <u>Poor health outcomes</u> contribute to and exacerbate conflict around the world. A society with poor public health is likely to be more dissatisfied, contributing to any existing unrest or rebellion against the elites or government. This can harm U.S. interests in sensitive regions.

Third, funding public health helps enhance U.S. influence abroad through greater American soft power. The billions the United States spends in global health funding to countries around the world provide it leverage in negotiations with those countries, from security to economic agreements. A <u>study</u> in the *American Journal of Public Health* found that American public health spending has a significant effect on the perception of the United States in countries receiving this funding. This can lead to positive downstream effects, such as facilitating greater diplomatic cooperation and enhancing economic trade between countries. Given this, an appropriate American response to greater competition with rival powers, such as China, would be for the U.S. government to invest in global health efforts.

Also, Americans support global health initiatives. A <u>poll</u> conducted in February found that 67 percent of American adults believe that the United States should fund global health projects in developing countries.

#### **DISCUSSION**

Part of the severe consequences arising from the administration's cuts to public health funding come from the fact that the U.S. government is responsible for funding many notable global health organizations, including the U.N.'s World Health Organization, or WHO. The U.S. contributed \$1.28 billion to fund the WHO in 2022–2023 — more than any other country. In 2023, the United States was responsible for 42 percent of international health assistance — much greater than the second-largest contributor, the U.K., at 12 percent. Although some have argued that the WHO has infringed on American sovereignty, the organization is undeniably critical to global health efforts. It convenes U.N. member states to discuss critical health issues and uses its \$6.8 billion budget to transform health outcomes for millions worldwide.

Perhaps the most notable of the U.S. government's global health projects has been the President's Emergency Plan for AIDS Relief, or PEPFAR. Formed in 2003 and motivated by a religious and moral conviction of President Bush to use American funding to save lives, PEPFAR has been focused primarily on the African continent and is centered on providing treatment and medical support for individuals with HIV/AIDS. As of last September, PEPFAR was providing lifesaving HIV/AIDS treatment to over 20 million people, and is credited with saving the lives of 26 million and allowing nearly 8 million babies to be born HIV–free. Historically, people in countries that have received PEPFAR support have a higher public opinion of the United States than do those in non–PEPFAR countries.

Another critical public health project funded by USAID has been the President's Malaria Initiative, or PMI. Launched in 2005, also under President Bush, PMI has focused on delivering support for malaria prevention and containment to people in countries across sub—Saharan Africa and Southeast Asia that account for 90 percent of the world's malaria cases. PMI is credited with helping to save the lives of 11 million people and preventing 2.1 billion cases of

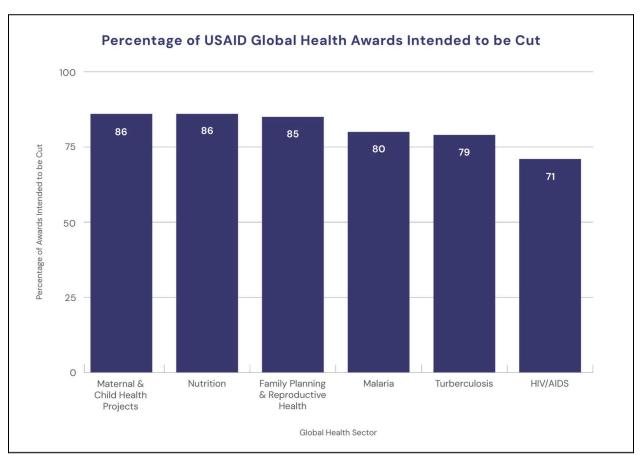
malaria. This has helped limit the disease's spread, thus reducing the threat it poses to Americans abroad.

The administration's cuts to PMI have hurt global malaria work: <u>60 percent</u> of the WHO country offices have said that they've felt serious disruptions to their malaria work resulting from the reduction in global overseas development assistance. Brooke Nichols, a public health modeling expert at Boston University, has launched a <u>website</u> that tracks the estimated death toll caused by Trump's USAID cuts. She <u>estimates</u> that, as of late June, the cuts had led to the death of over 32,000 people from malaria this year, with more than 24,000 of those being children.

Although the Trump administration offered limited waivers for lifesaving humanitarian work, including for PEPFAR to continue "lifesaving HIV treatment services," the administration has been <u>unclear</u> about how it defines lifesaving work and unclear about which parts of these global health projects will continue to receive funding. Many programs have thereby remained in limbo, forcing grantees that are unsure if their funding will be permanently terminated to furlough thousands of employees and end programs.

For <u>PEPFAR</u>, the waivers are being approved only for very specific HIV treatment and care. Funding for HIV aid more generally and much of the work supporting children and orphans with HIV has been terminated. Nichols' <u>model</u> estimates that, as of late June, over 79,000 people have died from HIV this year as a result of the cuts to funding. Reducing funding for PEPFAR adds to the number of infections across the U.S., where HIV/AIDS is largely under control, allowing it to spread faster.

The cuts to public health projects have been substantial. <u>KFF</u>, a health policy research organization, found that 80 percent of the USAID awards the administration told Congress it intends to cut are in the global health sector. Figure 2 shows the administration's intended cuts to USAID–funded global health programs by percentage.



#### Source:

https://www.kff.org/global-health-policy/issue-brief/analysis-of-usaids-active-and-terminated-awards-list-how-many-are-global-health/

The president's <u>budget proposal</u> for the upcoming fiscal year calls for a decrease of \$2.4 billion to USAID and the Department of State, and <u>requests</u> only \$3.8 billion for global health funding, down substantially from \$10 billion last year. The <u>rescissions package</u> that the president sent to Congress requests that \$900 million of the total funding Congress already approved for global health programs be rescinded.

Jean Kaseya, the director-general of the Africa Centres for Disease Control and Prevention, said the cuts will lead to 2 to 4 million more deaths each year and will reverse two decades of advancements in maternal and child health in Africa.

Public health and humanitarian experts around the world have relied on U.S.–funded data services to determine where to prioritize public health work and to analyze the effects of their interventions.

One such example is the <u>Famine Early Warning Systems Network</u>, or FEWS NET. Rather than keeping the site functioning while reviewing its value, the administration abruptly took it off-line

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### LEGISLATIVE & POLICY NOTES

in <u>January</u>. This threatened the work of humanitarians who rely on the database's website for detailed data on famine and food insecurity. Fortunately, following a monthslong review, the <u>website</u> has now been restored.

Another key data platform that has stopped operating as a result of the aid cuts is the <a href="Demographic and Health Surveys">Demographic and Health Surveys</a> program, or DHS. <a href="DHS">DHS</a> was a service that collected and disseminated data on a number of issues related to health outcomes in over 90 low- to middle-income countries. The data DHS collected and disseminated included information about child mortality, women's health outcomes, HIV/AIDS numbers, and malaria infections. Without this data, sector <a href="experts">experts</a> are finding it harder to study global health challenges, including the extent to which the administration's cuts have hurt people around the world.

#### CONCLUSION

Failing to stop disease before it spreads has devastating consequences for Americans. For example, although the Ebola outbreak in West Africa beginning in 2014 was relatively localized, it cost the United States an estimated <u>\$2 billion</u>, and over 10,000 American jobs were lost because of the stifling effect it had on international business and trade.

Investing in public health can also actively create new jobs. A <u>report</u> by the Global Health Technologies Coalition found that between 2007 and 2022, U.S. government investment in global health research and development, or R&D, is estimated to have created 600,000 new American jobs and increased economic activity by \$104 billion. Public investment trickles down to the private sector, too. The report found that for every dollar of government spending on global health R&D, \$8.38 of private sector investment is made over the next eight years. American jobs and America's economy benefit from public investment in global health.

Research and data services such as FEWS NET and DHS support R&D efforts, and should therefore be fully funded and operate at full capacity. Where the U.S. government is less willing to compromise on funding cuts, it should at least continue funding programs in geographic locations of key interest to the United States. Maintaining funding for health outcomes in the eastern part of the Democratic Republic of the Congo, for example, could help limit the negative effects of the recent conflict there on American interests, which include access to critical minerals and infrastructure investments. The war has worsened health conditions there, with cholera, malaria, measles, meningitis, mpox, and tuberculosis all spreading throughout the conflict zone.

To avoid worsening health conditions, the administration should clarify and expedite the waiver process so public health organizations need not furlough staff while waiting for unclear waiver rules to be sorted.

The U.S. government should prioritize spending on projects in parts of the world where important U.S. interests are at stake, security risks are particularly high, and where the danger



of the United States being pulled into a conflict magnified by these health challenges is substantial.

One example of this is Sudan. The civil war there has led to the <u>displacement</u> of over 12 million people — and over <u>60,000 cholera cases</u> were reported between August 2024 and May 2025, resulting in 1,600 deaths. The <u>rival factions</u> are using the deteriorating health conditions to terrify civilians into surrender, and are cutting off humanitarian corridors and attacking medical facilities. This case shows the extent to which negative health conditions can be exploited to further complicate and worsen a conflict. The more the United States government invests in improving health conditions before war breaks out, and the more it invests in providing health relief during a conflict, the more limited the effects of war will be on civilians.

This conflict matters to U.S. interests because a mix of American <u>rivals and allies</u>, such as Chad, Egypt, the United Arab Emirates, and Iran, are sending or transporting weapons to Sudan, turning the conflict into an expanded regional proxy war and risking entangling the U.S. militarily.

Ultimately, failing to sufficiently invest in positive health outcomes globally hurts U.S. interests by not stifling disease abroad before it spreads to the United States and sickens Americans, worsening conflict that then risks adding strain to limited American resources, and diminishing American soft power.



#### **About the Author**

**Dan M. Ford** is a junior research fellow in the Global South program at the Quincy Institute for Responsible Statecraft. Previously, Dan worked as a research and communications assistant at the Global Interagency Security Forum, or GISF, an organization focused on supporting the safety and security of humanitarian and development professionals across the world. Prior to that, Dan spent time working and interning in a variety of different organizations, focused mostly on international development, human rights, and conflict prevention and resolution. Dan speaks English, French, and Albanian.

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