U.S. INTERNATIONAL ASSISTANCE DRAWDOWN

Placing America's Security, Economic, and Humanitarian Interests at Risk



SITUATION REPORT

U.S. international assistance is a critical component of America's ability to lead on the world stage – giving us the eyes, ears, and relationships necessary to protect our national security, secure markets for U.S. businesses and products, and prevent global threats from reaching our shores.

The drawdown of U.S. international assistance programs threatens U.S. national security and our economy and puts millions of lives at risk.

CEDING GROUND TO AMERICA'S RIVALS AND ENDANGERING OUR NATIONAL SECURITY

China is taking full advantage of the U.S. stepping back from its commitments and growing their influence around the world.

Over the past 15 years, Chinese global development initiatives have grown by 525% and its proposed budget signals an *increase* in international diplomacy and development spending by 8.4% this year – building on a 6.6% increase last year.

Rapid Chinese investment and trade expansion include:

- \$3 billion for a deep-water port in Grand Bahama (just 55 miles from the U.S. mainland).
- \$600 million to modernize the Dominican Republic's electricity grid.
- \$2.1 billion in projects in Jamaica and \$773 million in Suriname.

Ten Caribbean countries have joined China's Belt and Road Initiative, while U.S. cuts assistance in the region – significantly reducing American influence.

 Experts warn of China's ambition to dominate the Caribbean, with one saying Beijing wants to "turn the Caribbean Sea into a Chinese lake."

Since the termination of U.S. aid programs, the Chinese Communist Party has <u>stepped in</u> to provide support for demining programs in Cambodia – a strategic national security and economic partner to the U.S. – that were defunded by the U.S. in bankrolling non-governmental organizations that relied on funding from USAID.

U.S. cuts to Voice of America (VOA) and Radio Free Asia has taken a critical tool off the playing field, drawing <u>cheers from Chinese nationalists</u>.

Programs in Central and South America to combat transnational criminal organizations and drug trafficking have stopped, including a program in Mexico aimed at stopping fentanyl chemicals imported from China from reaching the country's drug cartel.

From the Sahel to Somalia to Syria, critical national security gaps are emerging in the fight against terrorism from the drawdown in U.S. international assistance.

In Syria, humanitarian assistance was cut off for nearly 900,000 people, leaving a door wide open for ISIS and other malign actors to win the hearts and minds of the most vulnerable population.

In the Sahel, the termination of a program in Mauritania designed to build resilience against violent extremism has left vulnerable youth without critical support, such as vocational training, food distribution, and market assistance – disrupting progress in a region already grappling with weak governance and extremist threats.

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In Kenya, a program supporting coastal counties has been cut off, **halting critical efforts to counter Al Shabaab and prevent violent extremism** by addressing the root causes of radicalization among vulnerable youth. The program's closure leaves high-risk communities more vulnerable to extremist recruitment.

In Central Asia, the termination of a national security program has removed a critical tool for countering violent extremism in a region where groups like ISIS actively recruit disenfranchised youth and labor migrants.

Simultaneously, the program's end increases the risk of instability in strategic countries like Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan – where the U.S. is competing with China to dominate access to rare earth elements and critical minerals essential for next-generation technologies.

Russia is attempting to fill some of the program gaps by supporting mobile laboratories and training disease specialists to help the Democratic Republic of the Congo (DRC) detect and stop disease outbreaks.

The DRC is home to one of the world's largest supplies of critical minerals for use in smartphones and other technologies.

HURTING AMERICAN FARMERS AND INDUSTRY

New purchases of U.S. food and shipments of food already purchased have stopped – hitting the pocketbooks of American farmers while putting more than 36 million people worldwide at imminent risk of starvation.

American farmers supply more than 40% of U.S. international food assistance - which creates global demand for American-made crops such as wheat, sorghum, soybeans - and the U.S. government purchases more than \$2 billion in crops from American farmers each year.

In Texas, more than \$39 million worth of food has/been/stranded in the port of Houston, including sorghum, corn, and yellow split peas grown by Texas farmers – ending this aid also "threatens the livelihoods of Texans working in ports and warehouses, and on U.S.-flagged ocean freighters."

In Louisiana, rice farmers – who produce over \$300 million of rice per year and depend on U.S. international food assistance as one of their key purchasers – are at risk of being left with no one to buy already planted crops and no way to make back the estimated \$1,400 per acre spent by farmers.

In North Carolina, each year USAID invests \$194 million in our state economy, which is used in part to purchase food from North Carolina farmers.

13 American universities have shut down their Feed the Future Innovation Labs – including Kansas State University, University of Florida, University of Georgia, Mississippi State, University of Nebraska, University of Illinois, and Purdue among others, halting development of cutting-edge innovations that save lives around the world and benefit American farmers.

In Kansas, Kansas State has suspended work on agricultural research valued up to \$137 million, one of the largest research grants in the school's history, that were helping Kansas farmers improve their resilience and productivity.

In Florida, USAID contracts and grants contributed to the state's economy by more than \$13 million last year alone, benefiting the University of Florida, Florida A&M, and Florida International University.

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U.S.-based organizations stand to lose at least \$28.9 billion from the cuts to U.S. international assistance programs.

In Minnesota, a <u>farmer</u> talked about how cuts to international assistance would affect his family farm: "We do need to export a certain amount of our crop, so it's just one more market that's taken away from us. So it does put downward pressure on the market, on the prices that we're able to receive."

In Virginia, the shutdown of international assistance could cost the state as much as \$7 billion – affecting partnerships with 11 large-scale Virginia farms that sold produce to USAID, major state universities such as Virginia State and Virginia Tech, and Virginia-based corporations such as MARS, Inc.

PUTTING LIVES AT RISK

The flagship U.S. global health program – PEPFAR – has been severely curtailed.

Lifesaving care for tens of millions of people to prevent the spread of HIV has stopped in the chaos of the terminations. These programs have engendered enormous goodwill for the U.S. and support for our foreign policy and national security priorities.

1.25 million people have lost access to lifesaving food, health, and nutrition services in Sudan.

Nutrition services stopped for over 250,000 people, leading the way for famine to take hold, and more than 80% of local organizations providing emergency food aid and 48 health facilities serving over 300,000 people shut down. In <u>Nepal</u>, maternal and newborn health care services shut down, endangering the lives of <u>3.9 million young children and 5.7 million women.</u>

More than 600,000 women and children in Bangladesh have lost access to maternal and newborn health care, protection from violence, and other lifesaving care due to program shutdowns, while emergency food and medicine distribution has ended for over 24,000 people living in one of the world's largest refugee camps.