

U.S. Role in International Development One Pager

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[International development encompasses the knowledge, resources, and financial assistance](#) employed by various international actors to improve economic, educational, health, and human rights conditions in developing countries. These actors include states, non-governmental organizations (NGOs), international governmental organizations (IGOs), philanthropists, foundations, and even individual donors. International development assistance comes in the form of direct bilateral payments between states and recipients, multilateral payments between IGOs and recipients, loans, material resources, technical assistance, information sharing, and training.

Following the end of World War II, the United States has played a leading role in the inception and advancement of international development. In 1948, the first large scale international development initiative was enacted by President Truman to provide technical and financial assistance to Europe in order to rebuild the continent's economy, infrastructure, and governmental capacities. This initiative was known as the [Marshall Plan](#), named after then Secretary of State, George C. Marshall. At the same time, the United States would play a lead role in the creation and promotion of IGOs, none more important than the United Nations (UN). The UN would go on to develop their own international development programs through offices such as the United Nations Development Programme (UNDP) and World Health Organization (WHO).

President Truman saw international development as a means of effectuating the foreign policy agenda of the United States. In 1949, he proposed a foreign aid program that would become the [1950 Point Four Program](#) to support technical assistance and capital projects abroad. This program had two strategic goals:

- The creation of economic opportunity for the United States by opening markets in developing countries through poverty reduction and economic development initiatives
- Limiting the influence of communism by promoting capitalism in developing countries through economic incentives

Thus, President Truman saw international development as a long-term investment to boost global economic opportunities, while also holding the United States' geopolitical rival, the Soviet Union, at bay.

In 1961, President John F. Kennedy signed the Foreign Assistance Act into law, creating [USAID via executive order](#). This act introduced USAID as an autonomous federal agency that could implement international development assistance as its sole directive. The USAID Administrator would lead the agency, a position that is still appointed by the President and confirmed by the Senate, although it is not a cabinet-level position. President Kennedy institutionalized international development as he believed it was vital to the United States' foreign policy objectives. In this way, USAID could advance the moral, economic, and strategic considerations of the United States as a bulwark against totalitarianism and instability around the world.

During the 1970's, USAID began to shift focus from technical and capital assistance programs towards programs that focused on [basic human needs](#). These basic needs can be characterized as food and nutrition, population planning, health, education, and human resources. Today, this is referred to as human capital development. By adding this facet to its strategy, USAID widened the scope of what was considered part of international development. Thus, giving us the more comprehensive definition of international development, we have today.

The 1980's would largely see the United States retain its strategy of using international development to encourage economic growth and combat the influence of communism. With the dissolution of the Soviet Union in 1991, one of the major motivators of U.S. foreign aid would cease to exist. During the Presidency of Bill Clinton, foreign

aid was viewed as an unpopular political topic that left USAID and the [funding of international development](#) in limbo.

The events of September 11th and the subsequent wars in Afghanistan and Iraq would see [the U.S. invest heavily in the rebuilding of those two countries](#) and the resurgence of international development. U.S. international development is now seen as focusing on [four main areas](#): long-term development aid, military and security aid, humanitarian aid, and political aid. These areas of focus highlight the areas the U.S. believes it must invest, to tackle the political and economic challenges of the future.

The federal budget request for USAID is combined with the U.S. State Department within the federal budget. On a year to year basis, the United States has provided more foreign assistance than any other country in terms of a total dollar amount but [falls short of other countries as a percentage of its gross national income](#). Foreign assistance is generally about 1% of federal budgets, although [the public believes it to be much higher](#). Historically, the public has also believed foreign assistance is favored more by the Democratic Party, but [this too is a misconception](#). Both Republican and Democratic administrations have shown strong support for foreign assistance with some of the most rapid increases in such aid occurring under Ronald Regan and George W. Bush. It is worth noting that the Trump administration broke this bipartisan trend of favorability towards foreign assistance. The administration threatened to cut budgets on multiple occasions which would have [abandoned programs in up to 27 countries](#). This was highly irregular compared to past Republican and Democratic administrations.

As the United States looks to the future, the influence of China in the international development sector will be one of the most important factors in our approach to foreign assistance. International development has become a larger part of [Chinese policy](#) in recent years as strategies like the Belt and Road Initiative seek to fund infrastructure projects in developing countries to spread China's influence. In this way, international development as part of U.S. policy will again be a response to a geopolitical rival like it was during the Cold War. As we look to the future of the United States' role in international development, the two main goals that drove its creation, opening economic markets and containing the political influence of a geopolitical rival, have returned to the forefront.