

# The demise of USAID: Few regrets in Latin America

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"Take your money with you," [said](#) Colombia's President Gustavo Petro, when told about Trump's plans to cut aid to Latin America, "it's poison."

USAID (US Agency for International Development) spends around \$2 billion annually in Latin America, which is only 5% of its global budget. The temporarily closed-down agency's future looks bleak, while reactions to its money being cut have been wide-ranging. Only a few were as strong as Petro's and many condemned the move. For example, WOLA (the Washington Office on Latin America), a leading "liberal" think

tank which routinely runs cover for Washington's regime-change efforts, [called it](#) Trump's "America Last" policy.

While USAID does some good - such as [removing landmines](#) in Vietnam (themselves a product of US wrongdoing) - as an agency of the world's hegemon, its fundamental role is aligned with projecting US world dominance.

Not unexpectedly, the corporate media have largely come to the rescue of USAID. They try to give the impression that they are mainly concerned that some countries would be badly effected by its loss. In fact, the follow-the-flag media understand that USAID is part of the imperial toolkit.

Both the [Los Angeles Times](#) and [Bloomberg](#) suggested that USAID's shutdown would "open the door" to China. The [Associated Press](#) [described](#) the withdrawal of aid as a "huge setback" for the region; the [BBC](#) [echoed](#) these sentiments. The *NYT* and other mainstream media point to the irony that many of its programs [help stem](#) outward migration from Latin America, an issue which is otherwise at the top of Trump's agenda.

## **Weaponization of humanitarian aid**

The corporate media, not surprisingly, give a one-sided picture. It's true, of course, that an aspect of USAID's work is humanitarian. But, as Jeffrey Sachs [explained](#), "true, and urgent, humanitarian aid" was only one element in a larger "soft power" strategy. From its inception, USAID's mission was more than humanitarian.

A year after President John Kennedy created USAID in 1961, he [told](#) its directors that "as we do not want to send American troops to a great many areas where freedom may be under attack, we send you."

The organization is "an instrument of [US] foreign policy ...a completely politicized institution," According to Sachs. It has mainly benefitted US allies as with the

program to limit hurricane damage in Central America, cited by the [NYT](#) which omits Nicaragua, hit by two devastating storms in 2020. Needless to say, Nicaragua is not a US ally.

Although USAID provides about 42% of all humanitarian aid globally, the [Quixote Center](#) reports that most of the funds are spent on delivering US-produced food supplies or on paying US contractors, rather than helping local markets and encouraging local providers. The Quixote Center argues that “a review of USAID is needed,” though not the type of review which Trump or Elon Musk probably have in mind.

Indeed, the dumping of subsidized US food products undermines the recipient country’s own agriculturalists. While hunger may be assuaged in the short-term, the long-term effect is to create dependency, which is the implicit purpose of such aid in the first place. In short, the US globally does not promote independence but seeks to enmesh countries in perpetual relations of dependence.

## **Regime change**

The third and most controversial element, identified by Sachs, is that USAID has become a “deep state institution,” which explicitly promotes regime change. He notes that it encourages so-called “[color revolutions](#)” or [coup](#)s, aimed at replacing governments that fail to serve US interests.

The State Department is sometimes quite open about this. When a would-be ambassador to Nicaragua was [questioned](#) by the US Senate in July 2022, he made clear that he would work with USAID-supported groups both within and outside the country who are opposed to Nicaragua’s government. It is hardly surprising that Nicaragua refused to accept his appointment. The progressive government has since [closed down](#) groups receiving regime-change funding.

The history of US regime-change efforts in Latin America is a long one, much of it attributable to covert operations by the CIA. But since 1990, USAID and associated bodies like the National Endowment for Democracy have come to play a huge role. For example, they have spent at least [\\$300 million](#) since 1990 in trying to undermine the Cuban Revolution.

Regime-change efforts in Cuba involved a vast organization known as [Creative Associates International](#)(CREA), later shown by [Alan MacLeod](#) to be directing similar USAID programs across Latin America. Currently, CREA is working in [Honduras](#) whose progressive government is under considerable pressure from the US government. Yet CREA is only one of [25 contractors](#) which, in 2024, earned sums ranging from \$32 million to a whopping \$1.56 billion.

## Culture wars

USAID's regime-change work often foster ostensibly non-political cultural, artistic, gender-based or educational NGOs whose real agenda is to inculcate anti-government or pro-US attitudes. Examples proliferate.

In Cuba, USAID [infiltrated](#) the hip-hop scene, attempted to create [a local version](#) of Twitter, and recruited youngsters from Costa Rica, Peru and Venezuela to go to Cuba to run [a particularly inept](#) project that risked putting them in jail.

In Venezuela, USAID [began work](#) after the unsuccessful US-backed coup attempt against President Hugo Chávez in 2002. By 2007, it was supporting [360 groups](#), some of them overtly training potential “democratic leaders.” The Venezuelan rock band Rawayana, recent winners of a Grammy, are [funded by USAID](#) to convey pro-opposition messages in their public appearances.

In Nicaragua, after the Sandinista government returned to power in 2007, USAID set up [training programs](#), reaching up to 5,000 young people. Many of those who

were trained then joined in a coup attempt in 2018.

## **Astroturf human rights and media organizations**

Another tactic is to undermine political leaders seen as US enemies. In 2004, USAID [funded](#) 379 Bolivian organizations with the aim of “reinforcing regional governments” and weakening the progressive national government.

It did [similar work](#) in Venezuela, including in 2007 holding a conference with 50 local mayors to discuss “decentralisation” and creating “popular networks” to oppose President Chávez and, later, President Nicolás Maduro. USAID even expended \$116 million [supporting](#) the self-declared “interim presidency” of Juan Guaidó.

In a similar vein, Nicaragua was the subject of a USAID program intended to attack the credibility of its [2021 election](#). Likewise, after the election of Xiomara Castro in Honduras, USAID set up a [democratic governance program](#) to “hold the government to account.”

Creating or sustaining compliant “human rights” organizations is also a key part of USAID’s work. Of the \$400 million it spends in Colombia each year, half goes to such bodies. In Venezuela, where USAID spends \$200 million annually, part goes to opposition-focused “human rights” groups such as [Provea](#). USAID funded all three of the opposition-focused “human rights” groups in Nicaragua, before they were [closed down](#), and now probably supports them in exile, in Costa Rica.

Finally, USAID creates or sustains opposition media which, as Sachs put it, “spring up on demand” when a government is targeted to be overthrown. Reporters without Frontiers (RSF, by its French initials) [reported](#): “Trump’s foreign aid freeze throws journalism around the world into chaos.” It revealed that USAID was funding over 6,200 journalists across 707 media outlets. In the run-up to the 2018 coup attempt in

Nicaragua, USAID was supporting all the key opposition media outlets.

RSF, while purporting to support “independent journalism,” itself is [funded](#) by the National Endowment for Democracy (NED), George Soros’s Open Society Foundations, and the European Union – hardly neutral parties.

## Few regrets

This is why there may be few regrets about the demise of USAID in Latin America among governments beleaguered by the US. Indeed, opposition groups in [Venezuela](#) and [Nicaragua](#) admit they are in “crisis” following the cuts to their funding.

Even Trump’s ally President Nayib Bukele is [skeptical](#) about USAID: “While marketed as support for development, democracy, and human rights, the majority of these funds are funneled into opposition groups, NGOs with political agendas, and destabilizing movements.”

The evidence that USAID has weaponized so-called humanitarian aid is incontestable. Yet, according to US Secretary of State Marco Rubio, it is the Latin American countries that Washington has targeted for regime change – Nicaragua, Cuba, and Venezuela – who are “[enemies of humanity](#).” In response, Venezuelan Foreign Minister Yvan Gil [retorted](#) that the “only enemies of humanity are those who, with their war machinery and abuse, have spent decades sowing chaos and misery in half the world.”

Regrettably, USAID has been a contributor to this abuse, rather than opposing it. While temporarily shuttered at USAID, the empire’s regime-change mission will with near certainty continue, though in other and perhaps less overt forms.

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