

Foreign Aid Is Mostly Gone. It Could Be Replaced With Something Better.

Oct. 13, 2025



María Medem

By Rajiv J. Shah

Dr. Shah is the president of the Rockefeller Foundation and the author of “Big Bets: How Large-Scale Change Really Happens.”

Over the past year, wealthy countries around the world have undermined a decades-old consensus that human dignity is universal and that nations have a responsibility to further it. The shuttering of the United States Agency for International Development, which I led for five years, is just one piece of a broader, tragic retreat from a system of foreign aid that helped cure the sick, feed the hungry and empower the poor.

Countries, including the United States, Canada, Britain and Germany, have slashed billions in assistance. Research published by The Lancet [estimates](#) that more than 14 million people could die as a result of American aid cuts alone — 4.5 million of them children younger than 5. This is a moral failure that will make the whole world less safe, less secure and less prosperous.

Amid the tragedy, it is tempting to defend what we know. Fortunately, leaders in Africa, Asia, Latin America and elsewhere are building something new. They are taking ownership of their countries' own development, figuring out ways to leverage new technology and, most important, encouraging private investment — long the single biggest challenge for development projects. Their initiatives are modeling a way to lift up the vulnerable that will be more sustainable in the 21st century.

Eighty or so years ago, powerful nations came together around the concept of universal dignity, codifying that idea into institutions like the United Nations, the World Health Organization and the World Bank. This system helped usher in an era of extraordinary progress: transforming AIDS into a manageable condition, saving millions of children from dying of preventable causes and helping to cut hunger in low-income countries by more than 60 percent from 1970 to 2015. It also benefited donor countries by fighting diseases like Ebola abroad to protect lives at home and turning poorer countries into trade partners that created jobs.

Yet while the system did enormous good, it also faltered as the world changed. That model was funded and thus directed by wealthy countries and centralized in large institutions. Over time, donor support and public

support for international institutions proved inadequate, yet aid projects remained dependent on them. The work also increased as overlapping yet siloed initiatives proliferated in large part because the best way to find funding was rallying excitement about each new idea.

In recent years, the African country of Malawi received about [55 percent of its health funding from an estimated 166 external sources](#). To keep the money flowing in, Malawi had to write at least 50 strategic plans to secure financing.

Recipient governments and domestic resources were also often bypassed by donor nations and NGOs. Meanwhile, the effects of climate change created new challenges for which the system was unprepared. The data makes that clear: Ten years after the United Nations member states committed to comprehensive goals on human well-being, including [ending](#) extreme poverty and malnutrition, only about 18 percent of the targets are on track.

As that system was defunded over the past year, a new way to advance human dignity has been revealed in initiatives across the world. It is increasingly led by developing countries, not donors. It prioritizes underlying issues, like electricity access, that improve economic growth and life in many ways rather than just one. It leverages new technology: A.I. chatbots that teach farmers new methods, battery storage systems to enable use of clean energy, and drug therapies that reduce the number of dosages as they increase the length of coverage. This model uses philanthropic capital to get started, entices private investments and commits countries themselves to long-term investment.

In January, I joined more than two dozen African leaders who [came together](#) in Dar es Salaam, Tanzania, to commit to connecting 300 million people on the continent to electricity by 2030. This effort exemplifies the new model: It's driven by African countries' commitments to reform and to provide the electricity essential to modern jobs, health, education and nutrition. This is possible because of new technologies, such as localized grids that create electricity and internet connectivity for remote

communities. Above all, this effort is focused on making commercial investment less risky, thereby mobilizing private-sector capital to drive sustainability.

Last month about 80 nations spanning sub-Saharan Africa, Southeast Asia, Western Europe and Latin America met in Brazil to advance one of the most effective ways to save kids from hunger: school meals. About 466 million children benefit from school meal programs. These meals also improve students' learning and attendance (particularly girls) while creating [jobs](#) for local cooks and food suppliers and generating predictable [demand](#) for local farmers.

One dollar invested in school meals can yield up to \$35 in economic returns. In recognition of this remarkable potential, global funding for school meals [doubled](#) from 2020 to 2024 — with 99 percent coming from national budgets. When a country provides its own safety net, it creates a bulwark against droughts, climate stress and other shocks that otherwise cause famine.

And last month, as world leaders gathered in New York at the United Nations, African leaders, including Ghana's president, John Mahama, met to commit to redesigning their health systems to be less dependent on external aid. By necessity, Mr. Mahama and other leaders are committing to paying for more of it themselves and attracting more private investment. Combine this political will with new technology — integrated data systems, A.I. support to help community health workers identify patterns and treatments, and long-lasting new drugs, such as the H.I.V. treatment lenacapavir — and the possibilities are significant.

Of course, this model faces challenges. Leaders have to want to do the right thing and stay on guard against corruption and inefficiency. Amid rash budget cuts, the field of global development has lost valuable expertise. And these nations are trying to take on more responsibility even [as many face crippling](#) debt crises. To help these countries make this modern model succeed, donors should [forgive debt](#) and target available — and even expanded — aid accordingly.

[A new poll by the Rockefeller Foundation](#) of more than 36,000 people in 34 countries gives reason to think that's possible. Though only slight majorities said they trusted long-running international institutions such as the U.N., support for their sort of work — like international collaboration in feeding the hungry and preventing disease — was above 90 percent. The reason? Support for global cooperation is deeply linked not to a system but to results; up to 75 percent would support initiatives if they proved to be effective.

As needs increase around the world, that poll showed that Americans and many others still want to advance human dignity. We just want to do it well. These leaders are showing us how, and the world should help them.