

Trump Should Shutter USAID – Development Economics Is a Hotbed for Corruption

By Geoffrey Clarfield

In 2007 New York City-based professor and economist William Easterly published his intentionally provocative [book](#), *White Man's Burden: Why the West's Efforts to Aid the Rest Have Done So Much Ill and So Little Good*. In it, he argued that after more than half a century of Western aid to the “third world,” there was no positive correlation between the amount of money given and a rise in a recipient nation's GDP.



U.S. Senator Chris Murphy (D-Conn.) speaks at protest on Feb. 3, 2025 against Trump's USAID reforms (Philip Yabut/Shutterstock)

This was followed by another [book](#) in 2014 by the same author called *The Tyranny of Experts: Economists, Dictators, and the Forgotten Rights of the Poor*. In this book, he carried his argument even further by pointing out that one of the main reasons that so many third-world countries were still “developing” is that Western experts have invented a field called “development economics.”

This failed and failing branch of [economics](#) argues for command economies that ignore all the [factors](#) and reasons why OECD free-market countries and economies have succeeded. Instead,

it predicates development assistance upon these failed models sold by overconfident "development economists," who manage to ignore the amount of development assistance that has been stolen by third-world dictators and reinvested in the West.

As "long ago" as 2002 the British newspaper, the *Independent*, [reported](#) that African leaders alone had stolen more than 140 billion dollars from their own people since independence in the 1960s. No doubt this trend has continued.

And so we should not be surprised that President Donald Trump and his administration have frozen all projects and funds for the United States Agency for International Development (USAID) whose annual budget is in the hundreds of millions of dollars provided by law-abiding tax-paying citizens. This is during a time of inflation and an extreme rise in the cost of living for American citizens whose institutions are barely functioning and whose border is as porous as a sponge.

History of Western Foreign Aid

Can Americans afford this largesse? Before I answer this question let me tell those readers who are not experts in this field a little bit of its history and social organization, as one cannot make a decision for or against international aid without first doing so.

"Aid" or international development assistance is, or perhaps more aptly was, a function of the Cold War. After WWII, the United States leaned heavily on Britain, Belgium, Holland, and France to give their former colonies independence and membership in the United Nations. And so by the 1960s, the U.N. was filled with new countries from Africa and Asia.

The Russians were eager to take advantage of this changing geopolitical bloc and as most of the new ruling elites of these newly independent countries leaned towards Marxism and command economies, it was an alliance made in heaven.

The Americans had to respond so they airlifted thousands of young college students from Africa and Asia to U.S. institutions of higher learning to create their own sympathetic ruling elites. And then, they invented "the development project" – a soft power tool meant to prove to these elites that through Yankee expertise and the creation of representative institutions their native and newly independent countries could achieve "lift off" and a standard of living for its citizens that, if it not the same as that in America, was on the road to this goal.

During the 1960s and until the fall of the Berlin Wall, this approach did not work as planned or was constantly "treading water" and so "new approaches" to development were invented by universities, think tanks, and government bureaucrats. Thousands of new projects were funded across the developing world and managed by a growing cadre of Western and American "development workers" who never managed to work themselves out of a job as "development" kept changing its spots every five years with new philosophies, economic models, programs, and projects.

These people became a self-perpetuating bureaucratic class of lobbyists and "poverty alleviation" experts often supported by glitterati and pop stars (95 percent of them vote Democrat).

This was enormously complicated by the many proxy wars fought in Africa and Asia between America and its allies and the Russians from the 1960s to the fall of the Berlin Wall in 1990. This is a tragic story in and of itself and an aggravating factor.

During the second half of the 20th Century, a plethora of growing U.N. institutions were created that have and continue to attempt to put the U.N. extraterritorially "above" the efforts of specific countries (bilaterals, as they are called in the development jargon). These proliferating U.N. institutions hired more and more people from these new

countries – especially from the growing Arab oil money-funded Islamic bloc. (READ MORE: [Are the Protests in Slovakia Due to NGO and USAID Interference?](#))

The salaries, benefits, privileges, and perks of U.N. workers are hard to fathom. They are way above USAID salaries and benefits, far beyond the private sector, and once “inside” the system it is almost impossible to get fired.

Since the U.N. is largely funded by the U.S. and its NATO/OECD allies, you get a situation where well-paid, Marxist, third-world ideologues from the ruling elites of “developing” countries live the life of luxury at the U.N. while preaching egalitarianism and economic growth with, of course, the wrong theoretical models as provided by the “development economists” so well described in the book by Easterly.

But U.N. types know this. It is no secret. I have met so many of them. Privately they are luxury-seeking cynics. And so many of them admit it. Yet so many of them, despite their inflated salaries and perks, still manage to steal vast sums from their employers within the U.N. system. These stories can be found all over the internet but are rarely covered in the mainstream media. Here is just one example [reported](#) by the *Daily Caller* in 2019:

More than a dozen United Nations workers in Yemen are under investigation for allegedly embezzling millions of dollars of humanitarian aid in the war-torn nation, according to a Monday Associated Press report.

Most U.N. bureaucrats just want to retire in Paris, New York, or the south of France. They want to join the transnational elites and live lives of conspicuous consumption on their bloated pensions. The last thing they want is the creation of more successful countries like Singapore. That would spoil their party and make them unemployed in short order.

Also, because of the dominance of the Islamic bloc, these apparatchiks would rather turn the U.N. into an Israel-bashing machine or at least watch passively from the sidelines. This is wonderful and rational job protection from their narrow and selfish perspective.

The Current Crisis With USAID

The United States today has sent a strong message to its own “fellow travelers” within USAID, the left-leaning U.S. NGO world (so much of which is funded by USAID), and to the U.N. that it will no longer fund corrupt “developing” countries or so-called multilateral institutions like the U.N., facilitated by an endless round of American funded “soft power” interventions. **(READ MORE: [Foreign Aid Reform: USAID Has a History of Funding Terrorists and Anti-American Organizations](#))**

If the United States wants to create a new program of famine relief, refugee relief, and intellectual and scientific cooperation with “developing” countries then it must go back to the drawing board and reject the Marxism of the NGOs and the command economy models of “development economists.” USAID has had the chance but has chosen not to do this. **(LISTEN FOR MORE: [The Spectacle Ep. 188: Why America Needs to Defund USAID](#))**

And so a first step would be to repatriate the stolen aid taken by third-world dictators and invest it in the West – put it into an “international development fund” run by the U.S. and distributed to countries whose governments do not endorse terror and respect the rights of their own citizens.

I am all for humanitarian spending and development when the host country can afford it. And if the recipients use it wisely and the receiving government is not mile high in corruption. But none of that has been the case for the last 20 years.

I once met a Dane who was closing down a failing development

project in Kenya. I asked if it could not be reformed as the intention behind the project was noble. He looked at me with disbelief and said, "No failed project, program, or institution can be successfully reformed. Look at the U.N.! It must be terminated." This came from a left-leaning Dane who had worked in Africa.

That day I learnt an important lesson from him.

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