

# A Silver Linings Playbook for the aid sector in 2025

by Lisa Denney

24 February 2025



Women engaged in a sewing project in the Democratic Republic of Congo

*Photo Credit: UNDP DRC*

In the midst of the swift and brutal dismantling of USAID there has been a swell of voices in defence of aid. They have pointed to **the good that aid does** for the world's most vulnerable; **the importance of aid** to US interests; and the fact that US aid spend is **still just 1% of the federal budget**. They also point to the **human consequences** of the freeze — the deaths of some of the most vulnerable who have been **abruptly cut off** from health support and protection, as well as the **precarity of USAID staff and partners** — some of whom will be forced to close down operations entirely. The lack of due process — and indeed illegality — that has characterised the process, as well as its consequences, have rightly been the focus of discussion.

There has been less focus on the opportunity that this difficult moment might present for development assistance (leaving humanitarian assistance aside for now). In the aid community's understandable reaction to defend what we have known and how we have worked, we may be missing an important opportunity — a potential silver lining to be found in otherwise ominous clouds. That is, the opportunity to re-think and re-make development assistance in ways that we know have been sorely needed for some time — and not just for USAID.

Several commentators have pointed out that **multiple things can be true at once**. It can be true both that there is **a terrible attack by some of the wealthiest people** on the planet on spending to help the poorest; and that this spending to help the poorest has faced **real challenges for decades**.

While we understandably want to rail against the injustice of how quickly, irresponsibly and illegally the world's largest donor has been taken apart, we need to look strategically for the opportunities that the hand dealt to us present. Now is indeed a time to fight — but we need to be clear on what we're fighting for. It would be a disservice to the accrued learning within the aid industry for us to fight for a return to business as usual (see **here**, **here** and **here** for a start). We know there are deep flaws in the way aid has been delivered – increasingly laid bare by **critiques to**

So, how do we turn what feels like an apocalyptic moment into a critical juncture for change – **as we thought COVID-19 might have been**? How do we build back differently? Here are some initial thoughts for a 2025 playbook.

First, listen to local voices. This might seem obvious, but it is striking how much commentary on the demise of USAID is overwhelmingly from Western voices. Absolutely there are local civil society organisations **facing existential questions** due to the funding freeze but most of the commentary is from Westerners. Pacific and African development workers I've spoken to are more sanguine and point out that the present system wasn't working — it's not that they don't value aid, but they want it done differently. How do those leading social change in their countries think aid should be rebuilt?

Second, accept a smaller, lighter footprint for international organisations and staff. We often say that aid is about working ourselves out of a job. This might be the moment to live up to that. In remaking aid differently, there is likely less space at the table for people from donor countries, in order to make more space for local actors. That's not to say international NGOs and managing contractors are out — they'll no doubt still have a role to play but it's an opportune time to think about how that might look different.

Third, rebuild political consensus around development assistance. It's fair to say that the aid community has failed to land a convincing argument for aid to satisfy the political right in recent years (particularly as **"the right" has itself evolved**). Without a broader, bipartisan consensus, we leave aid as **a polarised political issue** that becomes a whipping boy every time a conservative government is elected. So far, the arguments for aid made to conservatives tend to rely on notions of charity, or playing the geopolitics card and **instrumentalising aid for the national interest**. They're arguments that the aid community itself is uncomfortable with, and does not necessarily buy.

The geopolitical angle will also not help in remaking aid in the longer term, because it tends to lead to large spend programs that buy a political relationship, or crowd out other donors, rather than strategically support local change processes — which is what we know works. Rather, a broader consensus on development assistance is needed that speaks to values across the political spectrum and that supports locally led processes of social change, with donors playing a more hands-off role.

Finally, claim the space and shape the debate. At the moment the debate is happening on a left versus right political spectrum, characterised by pro-aid and

anti-aid positions. This is purposeful — it focuses energies on a defensive response and whips up panic. We are being intentionally distracted. We need a cut-through to shift that debate from the defensive to the offensive; one that says “we know what the alternative looks like”.

This playbook might seem improbable for the US right now, where the future shape of development assistance is so uncertain. But it is relevant for development assistance everywhere else, with a rise of conservative governments globally and wider cuts to aid budgets. This might be the most opportune moment to mount a case for change.

2025 feels exhausting already. But that’s how those that have dismantled USAID want us to feel. If we can show a path forward, and make the most of the silver lining, then we stand **a better chance** of shaping what comes out of this moment for the better. And it may just be an opportunity to remake development assistance in ways our sector has known we’ve needed to for some time.

### **Author/s:**

#### **Lisa Denney**

Lisa Denney is a principal research fellow and Director of the Centre for Human Security and Social Change at La Trobe University and a research associate with ODI.

Link: <https://devpolicy.org/a-silver-linings-playbook-for-the-aid-sector-in-2025-20250224/>