Funding Freeze

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On 20 January 2025, an executive order titled "Reevaluating and Realigning United States Foreign Aid" imposed a 90-day suspension of assistance programmes pending review. The sudden halt in funding from the United States of America has triggered severe humanitarian consequences, disrupting aid flows and heightening concerns about the stability of global support mechanisms that many vulnerable populations rely on. In this article I am going to examine the domestic consequences of recent policy decisions by the Trump administration and explore their broader international implications.

Realigning Values

The formal starting point was Executive Order on "Reevaluating and Realigning United States Foreign Aid", signed in January 2025, which ordered a comprehensive 90-day review of US foreign aid. The stated goal was to realign international assistance with the 'America First' policy. During this period, the distribution of funds was suspended or subject to reassessment, creating immediate impacts on humanitarian, health, and development programmes. Although the administration declared the formal end of the pause in March 2025, several reports continued to point to persistent effects in countries such as Colombia and the Democratic Republic of Congo, where essential projects suffered interruptions and delays.

Domestically, the administration moved forward with freezes and restrictions on federal funding in sensitive areas such as childcare, support for farmers, and funding for prosecutors. Emphasis was placed on freezing funds in five states led mainly by Democratic governors – a measure critically analysed by the Centre on Budget and Policy Priorities. According to their analysis, the cuts affected programmes such as Temporary Assistance for Needy Families (TANF) and the Social Services Block Grant (SSBG), both of which are essential for low-income families.

The American Card

Uncertain times

Answering the initial question: what do these federal cuts represent? They represent more than simple budgetary adjustments. Domestically, the freeze on spending carries tangible risks for essential social programmes, threatening services that many communities rely on. Internationally, it also fuels uncertainty: allies and partners are left wondering whether the country will remain a dependable security provider and consistent strategic partner in the years ahead.