

The Great Power Competition, USAID, and the Future of Soft Power

By Amelia Vineyard



Amid growing global insecurity, rising anti-American sentiment, and a nation grappling with its own democratic identity, the role of soft power, long a cornerstone of U.S. foreign policy, has returned to the spotlight as traditional development instruments face increasing pressure and reevaluation. Soft power, coined by political scientist [Joseph Nye](#) in 1990, refers to a nation’s ability to influence foreign policies through non-coercive means, utilizing the attractiveness of a nation’s ideals, culture, and influence to sway public opinion.

Unarguably, the United States has been the dominant purveyor of soft power since the end of World War II, which has helped it work to establish a global [hegemony](#) and legitimize itself as a leader in social, economic, and security spheres. Yet, China’s emergence as a developing superpower that seeks to compete with the United States in economic, political, and military sectors has also brought a new field of congestion – soft power and public diplomacy. China has grown to occupy the spot of the [second](#) most influential soft power nation, sitting just behind the United States.

Expanding Chinese influence internationally was first seeded in the 1990s, but it became explicit in the Chinese Communist Party's messaging by [2007](#), when national leaders proclaimed that soft power would become a central focus of national policy. Since then, China has dedicated billions of dollars to these efforts, through notable undertakings such as funding the large [Belt Road Initiative](#), establishing Confucius Institutes in more than [160](#) countries, and expanding Chinese broadcasting and media platforms.

Yet, the two countries' approaches to soft power have been markedly different. USAID was perhaps the foremost perpetrator of U.S. soft power, through programs like PEPFAR (President's Emergency Plan for Aids Relief) and IDEAL (Improving Design, Evidence, and Learning). In 2023, USAID assisted [130](#) countries, disbursing \$71.9 billion in foreign aid.

Foreign aid comprises only [one](#) percent of the US budget, but its impact has been [outsized](#) not only in the people it has been able to help, but also in its role in projecting a favorable view of the United States and American policy.

China's aid work, in comparison, takes a more pragmatic approach. Although it is difficult to ascertain the exact scope of China's investment in soft power due to a lack of government transparency, it is no secret that China is doling out billions of dollars in foreign investment.

In 2014, Beijing pledged [40](#) billion dollars for its Silk Road Fund and 25 billion dollars for its Maritime Silk Road Fund as part of its Belt and Road Initiative. It has dedicated increasing

resources to educational projects, mainly through its [Confucius](#) schools, which teach international students Chinese and later allow them to work at top Chinese businesses.

With the collapse of USAID, China is poised to fill a soft power vacuum, further cementing its influence in a globalized world. Yet, there is little empirical evidence that China's unique approach to soft power is working; China has witnessed a [decline](#) in favorability in recent years, and its infrastructure projects have faced mounting criticisms.

Furthermore, Beijing's current model of soft power may not be viable as its economy begins to slow, leaving it unable to award large sums of foreign investment. That being said, the United States' recent democratic [backsliding](#) is equally distressing to the international community, which has long been frustrated with the United States' inconsistent foreign policy regarding democratic values. Where American soft power once stood as a beacon of progressive and tolerant ideals, growing political and cultural instability has tarnished the nation's once-polished image.

So, what is next in the soft power competition between these two nations? It remains too soon to tell. While Beijing and Washington have often viewed soft power as a [zero-sum](#) game, developing nations have been eager to pit the two countries against each other, amassing billions of dollars in investment as the U.S. and China competed to outbid each other. With the

U.S. scaling back its role in soft power and public diplomacy, the gap will likely be too large for China to fill.

For many critics of USAID, the resounding impacts of its departure highlight what they feared the most: that USAID was creating dependency, not development. To the extent that countries can weather its collapse might stand as the ultimate metric by which to judge USAID: whether it was successful in creating development that could stand independent of American support.

Countries that have been absorbing aid, particularly from USAID, must start metabolizing it by creating their own self-sustaining and long-lasting development projects. Examples of successful transitions to self-sustainability are in India's [Pratham](#), an educational NGO committed to improving children's literacy and access to education.

USAID helped Pratham in early technical interventions, aiding the financing of early programs and expanding organizational capacity. Today, Pratham is the largest educational NGO in India, sustaining itself through donors, partnerships with the government, and revenue-generating activities.

The Philippine Business for Social Progress ([PBSP](#)) is another example of an autonomous organization rooted in USAID. USAID helped launch PBSP in the 1970s, hoping to foster private sector engagement in development initiatives. Today, PBSP is the largest business-led NGO in the Philippines, focusing on solving societal problems, mainly centered on health, education, environment, livelihood, and enterprise development. PBSP now boasts complete Filipino leadership, and PBSP is supported solely by Philippine businesses looking to engage in local development campaigns.

In recent years, USAID committed itself to understanding the role of local governance in promoting [democratization](#), allowing citizens to implement tailored solutions to their programs. USAID's work in [legitimizing](#) civil society and local governments may endure the collapse of the broader agency, creating networks that communities can use to enact change without international investment. A modern emphasis on sustainable development must be matched with ensuring that the organizations enacting this development are themselves sustainable.

Amelia Vineyard is an undergraduate student at the University of Virginia, currently serving as an intern at the High Atlas Foundation in Marrakech, Morocco.