United States Development Assistance Policy

The Domestic Politics of Foreign Economic Aid

VERNON W. RUTTAN

Contents

List of Figures; Exhibits, and Tables List of Abbreviations	xi xiii
Preface The Effects of Assistance xviii Participation in Development Assistance xix Questions about AID xx On Method xxii	xvii
Part I: Interests and Passions	
I. The Domestic Sources of Foreign Assistance Policy American Exceptionalism and Foreign Policy I Foreign Policy and Foreign Assistance 4 Constituencies and Concerns 8 A Framework for Analysis 17	I
2. Why Foreign Economic Assistance? Donor Self-Interest 19 Ethical Considerations 23 Some Questions 27 In Conclusion 29	19
Part II: The Evolution of Policy	
3. Before Point Four Interwar Isolation 34 Wartime Assistance to Latin America 35 Assistance for European Recovery 38 Assistance Programs in Asia 42	33

	New Multilateral Institutions 44	
	Lessons from Experience 47	
4	Technical Assistance for Economic Development	49
	The Point Four Legislation 50	
	Development Thought 52	
	Congressional Hearings 53	
	Toward Security 62	
	Beyorld 1952 68	
5.	Development Policy from Eisenhower to Kennedy	69
	Security Concerns and Development Assistance 70	
	Development Assistance and Economic Self-Interest 79	
	Humanitarian Concerns 85	
	Academic Thought > 86	
	In Conclusion 91	
	A New Charter 93	
_	The David Houses Needs Manday	
6 :	The Basic Human Needs Mandate	94
	Administration Sources 95	
	AID Sources 98	
-	Congressional Sources 100	
	Intellectual Sources 104	
	External Sources 107	
	Societal Sources and Public Opinion 110	
	Beyond New Directions 114	
7 .	Lost Directions: U.S. Foreign Assistance Policy since New Directions	115
•	Trends in Economic Assistance 116	
	Administration Sources 119	
	US/AID Sources 133	
	Congressional Sources 137	
	External and Societal Sources 140	
	In Conclusion 145	
_		
Pa	rt III: Bilateral Assistance	
8.	The Politics of Food Aid Policy	149
	-	

Surplus Disposal and Market Development

Food for Peace

	Food Power 165
	Redesigning Food Aid 173
	Reforming Food Aid—Once Again! 180
	Professionals, Clients, and Interests 184
	Why Food Aid? 196 Food Aid and Food Security 201
	Food Aid and Food Security 201
.9 .	Universities, Voluntary Organizations, and Public Foundations:
	Interests, Clients, and Constituencies 203
	The University Partnership 204
	Private Voluntary Organizations 221
	The Public Foundations 235
	Patrons and Clients 251
	·
10.	Economic Assistance for Strategic Objectives 253
	Assistance to South Vietnam 256
	Assistance to Israel and Egypt 279
	Policy toward Central America 301
	United States Bases Abroad 323
	Lessons from Economic Assistance for Strategic Objectives 330
Pa	rt IV: Multilateral Assistance
II.	Policy toward the Multilateral Lending Institutions 335
	The Coordination of Development Lending 337
	U.S. Bilateral Lending Institutions 339
	The Multilateral Lending Institutions 348
	Responding to Domestic Politics 359
	Has U.S. Policy Influenced the Multilateral Development Banks? 377
12.	Policy toward the Specialized Agencies and Voluntary
	Programs of the United Nations 381
	The Specialized Agencies and Voluntary Programs 384
	The Issue of Arrears 385
	The United Nations Development Programme 387
	The Food and Agriculture Organization 393
	UNESCO and the Triumph of Ideology 401
	The International Labor Organization 409
	The World Health Organization 415
	The United Nations Children's Fund 419

	_	4 4	•
Y	i .on	tents	

Perspective

The United Nations Environmental Program

433

426

Part V: Reform and Redirection	
13. Reforming U.S. Foreign Economic Assistance	439
From Mutual Security to AID 441	
Focus on the Poor 444	
The Coordination of U.S. Assistance Programs 445	
Reforms for the 1990s? 450	
Opportunities Lost 454	
More Studies, Task Forces, and Commissions 459	
The Response of the Clinton Administration 467	
Lessons from Reform Efforts 469	
14. Does AID Have a Future?	472
Six Visions 472	<u>.</u> ·
Lessons from Development Assistance 476	
Toward Renewed Commitment? 482	-
Organizing for Effective Development Cooperation 483	
Building on U.S. Capacity 486	
A New Vision? 488	: .
A New World Order? 490	
Appendixes	
A. U.S. Assistance to Strategically Important Countries 495	
B. U.N. Agency Administrators and Assistant	
Secretaries of State for International Affairs 503	
C. Agency Administrators, 1942–1991 505	
D. Presidents of the World Bank 511	
D. Trestacing of the World Duth. 511	
Notes	513
Index -	639
-	-