Moral Vision in International Politics

THE FOREIGN AID REGIME, 1949–1989

David Halloran Lumsdaine

PRINCETON UNIVERSITY PRESS PRINCETON, NEW JERSEY

Contents

List of Tables and Figures	ix
Acknowledgments	xiii
Abbreviations	xvii
PART I: The Argument	
CHAPTER ONE Do Morals Matter in International Politics?	3
Снартек Two Why Was There Any Foreign Aid at All?	30
PART II: The Evidence	
CHAPTER THREE Where the Money Went: Who Were the Main Recipients of Aid?	73
CHAPTER FOUR Who Paid the Bill: Similarities and Differences among the Donors	104
CHAPTER FIVE Who Advocated Aid: Supporters and Opponents of Development Assistance	137
Снартея Six What Prepared the Way: Historical Antecedents of Aid	182
CHAPTER SEVEN How Aid Grew: Development of Regular Aid Programs	221
CHAPTER EIGHT How Aid Changed: Ongoing Reform in the Foreign Aid Regime	253
PART III: Conclusion	
CHAPTER NINE How Shall We Then Live?	283

		_
VIII	•	Contents

Notes	295
Bibliography	325
Index	
	343

Tables and Figures

_				
	D	T	C	c
	. О	L	Æ	.3

2.1	Volume of Aid Compared with Private Financial Flows to the Third World	35
2.2	Bilateral Aid Correlated with Trade	33 40
2.2		
	Aid and Commercial Flows, by LDC Income Class	40
2.4	DAC Aid Going to Multilateral Institutions, 1956–1989	41
2.5	Strong and Weak Aid Donors Classed by Domestic Social Spending and Private Charitable Contributions to Third	
	World Development	41
2.6	Attitudes toward Increased Aid, by Church Attendance	71
2.0	and Political Views	44
2.7	Best Predictors of Public Support for Foreign Aid	44
2.8	Perception of National Interest by Degree of Perceived	
	Moral Duty to Give Aid	45
2.9	Degree of Tying of Aid	48
2.10	Percentage of Grant, Grant Element, and Interest Rate in	
	Bilateral Aid, 1962–1988	48
2.11	DAC Countries Classified by Percentage of Aid Given to	
	Multilateral Organizations	49
2.12	DAC Countries Classified by Grant Element in Aid over	
	Time	49
2.13	Net Disbursed Aid by LDC Income Level over Time	50
3.1	Overlap between Top Aid and Trade Partners	76
3.2	Aid, Trade, and Investment in Major Aid Recipients	77
3.3	Share of Aid Going to Third World Countries Most	
	Important in DAC Trade	77
3.4	Correlation Coefficients of DAC Bilateral Aid with Trade	78
3.5	Partial Correlation Coefficients of DAC Bilateral Aid with	
	Trade, Controlling for Recipient Size	79
3.6	Correlations of Aid with Trade, for Individual Donors	80
3.7	Partial Correlations, Aid with Trade, for Individual	
	Donors, Controlling for the Size of Recipient States	81
3.8	Aid to Former Colonies	83
3.9	Pacific Donors' Aid to Nearby Small States	87
3.10	Recipient Need and U.S. Bilateral Aid	92
3.11	Aid, Investment, and Trade by Recipient Income Class	95

х ·	List of Tables and Figures	
3.12 3.13	Aid and Trade, Largest Third World Countries (1982) Share of Aid, Exports, and Export Credits from OECD countries to Third World Countries by Recipient Income	95
	Class	96
3.14	Individual Donors' Bilateral Aid by Recipient Income Class	97
3.15	Percentage of Aid Going to All Poverty-Oriented Sectors	101
3.16 4.1	World Bank Resources Going to Poverty-Oriented Sectors Comparison of Donors' Net Official Development Assis- tance and Net Private Financial Flows as Percentages of GNP, 1980–1989	101 106
4.2	Comparison of Donors' Net Official Development Assistance and Exports to, and Imports from, the Third World, 1980–1989	107
4.3	Foreign Aid, Domestic Government Social Expenditures, and Private Voluntary Contributions as Percentages of Gross National Product	122
4.4	Correlations of DAC Donors' Aid Spending with Domestic Social Spending and with Contributions to PVOs	
4.5	Assisting The Third World Economic Aid to the Third World from Soviet Bloc	124
т.Ј	Countries	129
4.6	Trends in DAC Donors' Net Disbursed Aid	133
5.1	Support for Aid Broken Down by Respondent Characteristics and Views	146
5.2	U.S. Support for Aid Classified by Respondent Foreign Policy Views	147
5.3	Percentages Favoring Increasing, Decreasing, Maintaining, or Cutting Aid, Broken Down by Regularity of Religious Attendance and by Political Self-Placement	149
5.4	Best Predictors of Support for Aid, Tested against Each Other	153
5.5	Perceptions of Moral Duty and of National Interest in Foreign Aid	157
5.6	Moral Duty, National Interest, and Support for Aiding Neediest Countries	157
5.7	Contracts for Japanese-Funded Aid Projects, by Nationality	160
5.8	Evolution of Japan's Aid Spending, 1974–1989	160
5.9	(English) Wording of Questions on Euro-Barometers 13	
7.1	and 20 DAC Net Total Disbursements to UN Development	180
	Programs	246

	List of Tables and Figures	• :	xi
8.1	Number of Donors at Various Levels of Aid Disbursements over Time	25	5
8.2	Percentages of Total OECD Aid Contributed Classified by Donor Grouping	25	7
8.3	Number of Donors Concentrating Aid on a Few Countries	25	
8.4	Number of Recipients Receiving Various Percentages of	2,	Ü
0. 1	Their Aid from a Single Donor, 1964	25	9
8.5	Number of Recipients Receiving Various Percentages of	23	
0.0	Their Aid from a Single Donor, 1978	25	9
8.6	Multilateral Percentages of DAC Aid, 1950–1989	26	
8.7	Number of Donors with Various Levels of Support for		-
	Multilateral Aid	26	1
8.8	Degree of Tying in Aid: All DAC Countries and United		
	States	26	3
8.9	Change In Tying Behavior between 1972 and 1982–1983	26	5
8.10	Grants, Grant Element, and Interest Rate in Bilateral		
	ODA, 1950–1988	26	55
8.11	Number of DAC Donors with Various Levels of Grant		
	Elements over Time	26	6
8.12	Net Disbursed Foreign Aid, Classified by Recipient		
	Income Level: Importance in the Donor Aid Burden and in		
	the Recipient Countries	26	7
8.13	Net Disbursed Foreign Aid, Classified by Recipient		
	Income Level	26	8
Figui	RES		
4.1	Concern about Poverty Influences Both Social Spending		
	and Foreign Aid	12	0
4.2	Concern about International Poverty Influences Charity		
	and Foreign Aid	12	.3

.