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Moral Vision
in
International Politics

THE FOREIGN AID REGIME,
1949–1989

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Do Morals Matter in International Politics?

I am sure that the power of vested interest is vastly exaggerated compared with the gradual encroachment of ideas. Not indeed, immediately, but after a certain interval; for in the field of economic and political philosophy there are not many who are influenced by new theories after they are twenty-five or thirty years of age, so that the ideas which civil servants and politicians and even agitators apply to current events are not likely to be the newest. But, soon or late, it is ideas, not vested interests, which are dangerous for good or evil.

—John Maynard Keynes¹

IS CONSTRUCTIVE CHANGE IN THE INTERNATIONAL SYSTEM POSSIBLE?

How can the international system be changed to make the world a better place? Can it be changed at all? Certainly changes occur; but if human efforts cannot affect how things change, there is little hope of building a better world. Some assume that everything in politics is a matter of calculated self-interest. Others hold that international anarchy and the distribution of power alone determine the basic character of international politics. This book argues that efforts to build a better world can effect significant change in international politics: vision, hope, commitment, conviction sometimes make a big difference.

Many converging lines of evidence show that economic foreign aid cannot be explained on the basis of donor states' political and economic interests, and that humanitarian concern in the donor countries formed the main basis of support for aid. The same conclusion emerges whether one examines where donor countries spent their money, what countries contributed a lot of aid, which groups and politicians supported aid, what the public thought, how aid started, or how it changed over time. Support for aid was a response to world poverty which arose mainly from ethical and humane concern and, secondarily, from the belief that long-term peace and prosperity was possible only in a generous and just international order where all could prosper.

Aid was pivotal in North-South relations. Foreign aid has been the largest financial flow to most less developed countries (LDCs) over the past forty years, far exceeding investment by multinational firms. Of course, aid was not completely pure: any program involving half a trillion dollars, a score of donor countries, many international agencies, and 120 recipient countries over half a century will involve mixed influences. As much as a third of aid mainly served donors' commercial, colonial, or strategic goals.² However, most foreign aid was based on donors' humanitarianism and their perception of the world as an interdependent community.

But the argument goes beyond the issue of foreign aid, important as that was. The underlying question is whether moral vision and commitment can help shape the global system. Most analytic theories of international politics deny this possibility or ignore the question. A growing scholarly literature engaging in moral reflection on world politics³ often does not address empirical theories of international relations, and risks producing "purely theoretical discussions about ethics in world affairs."⁴ This book seeks to bridge that gap. Most of the book is a detailed empirical analysis of how foreign aid came to be what it is, which is summarized in chapter 2. Readers more interested in foreign aid than in theories of international politics—and those so incredulous that they want some proof before they read further—should turn to that chapter at once. Yet in looking at foreign aid, I also aim to elaborate a more general understanding of how moral values can alter the tenor of international affairs.

This first chapter explores why the theoretically neglected factors of moral vision, values, and principles may play a large role in international affairs, by showing how states are able to go beyond their own self-interests. Many scholars assume nations act only to secure national self-interest, because of human selfishness and because only self-seeking states will thrive and continue to have influence. Selfishness and survival pressures are ubiquitous, but I argue that they are not absolute. Rigorous-sounding claims that self-interest is all-determining in world politics are often little more than plausibility arguments. States have significant choice and can modulate and counterbalance self-interest, destructive human impulses, and the pressures of the international system. The argument proceeds as follows. The next section of this chapter discusses the wide range of human nature expressed in international politics. The following section explores why genuine needs for prudence and wariness do not force states to be amoral calculators, despite Realist claims that systemic forces crowd out international public spirit and moral concern. A further section then presents an alternative understanding of the international system, building on arguments about human nature and about international anarchy to show how moral and political principles can structure interna-

tional politics in important, lasting ways. Specifically, I argue that moral conceptions affect international politics in three ways: through the systematic transfer of domestic political conceptions of justice to international life; through social and moral dialogue that constitutes international society; and through normative meanings implicit in international regimes or practices such as foreign aid, meanings which shape the ongoing evolution of those practices.

All three effects show up repeatedly in the detailed quantitative and historical data on foreign aid. (1) This book shows that attitudes toward poverty in the development of the social welfare state paved the way for economic assistance to less developed countries. (2) Interactions with other states and of citizens with other people worldwide also influenced countries' aid policies. Growing popular awareness of poverty overseas, and the increasing numbers of professionals trained to work on problems of economic growth, affected aid. The fact that European countries had themselves received Marshall Plan aid helped overcome their initial reluctance to provide foreign aid to LDCs. The example of leading developed countries and the claims of LDCs in international forums also helped create a belief that developed countries had a moral obligation to provide aid. (3) The principle of help to those in great need implicit in the very idea of foreign aid led to steady modification of aid practices, which focused them more on the needs of the poor and moved them away from donor interest.

All three hypotheses also apply to issue areas other than foreign aid. Domestic attitudes toward conflict resolution should, if my broader argument is correct, influence attitudes toward international conflict. States that tyrannize over their own people may be ready to tyrannize over their neighbors. International society may encourage an atmosphere of cynicism and indifference to the rights of other peoples, or of hostility between groups, or of admiration of the ruthless use of force, or it may strengthen friendly relations and concern for international law. Many kinds of regimes and practices display a long-term evolution guided by their implicit social and moral meanings. The systematic effects of domestic values on foreign policy, of international society, and of moral meanings implicit in international practices constitute, I argue, a general program for research on ethical influence on the international system.

Thus moral reflection and leadership help shape what international life is like. The influence of domestic principles, of international public opinion, and of morally significant international regimes and practices is not automatic, and not always benign. But it is possible to labor to make international politics more responsive to considerations of justice and compassion. In the case of foreign aid, ethical influences have been crucial (despite many lamentable problems with aid), as the rest of the book

shows in detail. The principle that the affluent should use their wealth to help those in dire poverty across international boundaries—a humanitarian principle clearly opposed to the rule of the strong for their own benefit—came to govern the largest financial transactions between rich nations and poor consistently and increasingly, over a period of more than forty years. Knowing that there are moral choices to make in international politics doesn't keep world politics from being vicious; but it does leave us responsible for the world we make.

SELF-INTEREST AND HUMAN NATURE

Self-interest is not the inevitable determinant of international politics, about which we need, and can, do nothing. The contention that self-interest is inevitable takes two main forms. Some hold that human beings are inherently selfish, and intent on power. Others make a social-Darwinist argument that states must be self-interested, for only the strong survive in the international system. In this view, states' efforts to be just and generous build on sand: they can accomplish nothing in the anarchic international realm in which power is the prime mover and only ultimate reality. Both arguments are part of the Realist viewpoint that has dominated international relations scholarship in the past half century. Both imply that moral factors are negligible, that as E. H. Carr put it, "in the international order, the role of power is greater and that of morality less."⁵

Characteristic Realist emphases—a frank interest in the dynamics of power in anarchy, emphasis on the need for wariness in a dangerous world, caution about excesses, attention to ubiquitous drives for pre-eminence, a careful working out of the implications of self-interest—constitute an important theoretical and moral legacy for which we can be thankful; the argument here is not meant to downplay or contest the many fine insights of Realist thought. On the contrary, recognition of the power of the selfish and destructive elements in human nature and world politics is an essential part of my theoretical argument in this chapter, and is pivotal to the moral argument sketched in chapter 9. But many leading Realists go further, claiming explicitly or by implication that human venality and corruption, and the dynamics of power, preclude human compassion and idealism from being an important, modulating, force in international politics. Too easily, the single-minded pursuit of power and interest comes to be seen as inevitable, as natural, and as unproblematic. It is such deterministic and cynical views, which I think naive and unrealistic, that I aim to dissent from. This section of the chapter argues that human nature is more complex: self-interest, irrational destructiveness, and principle and compassion all play a role in international politics as

well as in civil society and domestic politics. The following section addresses the claim that human nature is irrelevant because of the inexorable logic of the international system.

Though many contemporary Realists eschew all discussion of human nature, an accurate view of human potentialities is important to understanding the logic of international politics. Hans Morgenthau, "the founding father" of the discipline,⁶ sees international politics as "governed by objective laws that have their roots in human nature." Claiming that "whatever man does . . . emanates from himself and refers again to himself," Morgenthau argues that "moral conflict between the self and others is . . . inevitable" because of the demands of scarcity. Unlike many later Realists, Morgenthau also sees politics corrupted by "the *animus dominandi*, the desire for power,"⁷ a "psychological relation" based in a "tendency to dominate . . . [which] is an element of all human associations" and is present even in animals.⁸ At the same time, Morgenthau says the national interest is objectively given by a state's international circumstances, for "objective laws" govern international politics, and "society in general."

The crucial concept of "interest defined in terms of power" is a "signpost" which enables "political realism to find its way through the landscape of international politics" and gives a country "foreign policy consistent within itself, regardless of the different motives, preferences, and intellectual and moral qualities of successive statesmen." Focusing on power enables the analyst to avoid "concern with motives and . . . ideological preferences," a "popular fallacy of equating the foreign policies of a statesman with his philosophic or political sympathies."⁹ Pursuit of the national interest requires a chesslike, or even Machiavellian, rationality—cleverness in attaining power with limited means. As Spykman put it, "the struggle for survival, and the improvement of the relative power position becomes the primary objective of the internal and external policy of states," for "power means survival, the ability to impose one's will on others . . . [and] to dictate to those who are without power." Accordingly, the

statesman . . . can concern himself with values of justice, fairness, and tolerance *only to the extent* that they contribute to or do not interfere with the power objective. They can be used instrumentally as moral justification for the power quest, but they must be discarded the moment their application brings weakness. *The search for power is not made for the achievement of moral values; moral values are used to facilitate the attainment of power.* In this kind of a world states can survive only by constant devotion to power politics.¹⁰ (emphasis added)

Power as a means to survive in a hostile world dictates the state's ends as well as its means, and this externally given end displaces other ends and controls state values.

Realism entails an "exclusion of morality from politics"¹¹ because international affairs are a realm apart, determined by exigencies of power politics alone and thus exempt from moral judgments. International politics is discontinuous from everyday life and domestic politics, particularly in a liberal democratic society, and requires different thinking.¹² Morgenthau deplores any "depreciation of power politics" as unclear thinking based on the "domestic experience" of the middle class in the nineteenth century. Attention to power is inevitable, but paradoxically it is also a virtue, for the concept of an objective national "interest defined in terms of power" provides the statesman with "rational discipline in action."¹³ Lippman, Kennan, Spykman, Herz, Carr, and other classical Realists warn against the pernicious influence of "utopianism," "idealism," and "moralism," which derail the sensible pursuit of national interest and lead to dangerous excess. National security and acquisition of power are the only appropriate norms for a country's international conduct. A Realist understanding that moral and political principles cannot shape international politics protects foreign policy from the perilous, destabilizing, and immoral effects that non-Realist principles may induce.

In sum, the inevitability of self-interest in international relations is portrayed by classical Realists as a necessary consequence both of a uniformly selfish human nature and of the exigencies of power in anarchy. International politics is and should remain an autonomous sphere, immune from ordinary moral considerations and governed by objective laws. The inflexible dictates of international power politics determine national interests, which are ascertained by a technical, politically and philosophically neutral, rationality. Wise statesmanship is a matter of strategic skill, of mastering a calculus of advantage, a technical game for experts.

I demur. Self-interest undoubtedly plays a commanding role in the world's affairs. It is only natural that human beings individually and jointly seek to advance their interests. Unsure of just what threats we will face and of what our needs and desires will be, we want not only specific goods but power and control in general. Further, human beings are profoundly self-centered, and our egotism affects almost all we do, often corrupting even our genuine love for family and friends. The allure of wealth and pleasure, security and prestige, are obvious and powerful. We find it hard to see others' points of view or acknowledge our own faults. We attend to our own welfare when we should consider others' needs. But a view of human action that sees only self-interest is far too simple. It errs in leaving out the dark side of human character, often astonishingly pow-

erful, as well as in ignoring the strength of compassionate feelings, or hatred of injustice. Principled refusals to do wrong, and acts of love and compassion, are common, as are folly, unnecessary hatred and domineering, and self-defeating behavior. Human beings are a mixture of self-interest, idealism, and pointless destructiveness. All three elements operate, in varying proportions, in civil society and politics and in international affairs as well as in the life of the individual.

Much of what people do is simply destructive. Selfish actions intended to make us better off are often counterproductive. We easily become prisoners of grasping, power-conscious, domineering, or overcautious attitudes that serve our interests poorly. Openly self-defeating acts and attitudes are not unusual: resentments, desires for domination or revenge, paranoia, outbursts of annoyance and unkindness, and settled animosities often undermine the goals we seek. Human self-centeredness goes far beyond the rational pursuit of goals that enhance the individual's well-being or pleasure; it includes addictions, pointless antagonisms, distorted priorities, and desires for dominance. The point is not that self-destructive acts satisfy no impulse whatever; acts of that kind are rare. But acts which predictably result in frustrating and debilitating consequences are all too common.

Destructive and unnecessarily hostile actions are common in group relations and international politics as well as in personal life. Much violence—in international, as in civic and familial life—serves no one's interests. Futile obsessions, feuds, and unjustified distrusts abound. Selfishness often lies behind foolish egocentrisms, but it is hard to call such behavior self-interested. While there are genuine security interests which develop in ethnic groups' strife, internationally and nationally, antagonisms between Israelis and Arabs, Greeks and Turks, Armenians and Azerbaijanis, and even Argentines and Brazilians are not simply rational responses to threat; they involve personal antipathies that help neither side. Conciliation may be difficult even if everyone would benefit. These irrational dislikes may be inflamed by minor incidents more than by genuine increases in threat.

Yet life is also full of principle and heroism, patriotism, costly honesty, compassion for people in need, and devotion to worldwide peace and justice. Mencius observed that "it is a feeling common to all mankind that they cannot bear to see others suffer. . . . This feeling of distress [at the suffering of others] is the first sign of humanity." Parents try to overcome children's self-centeredness and to extend their sympathies for others. Religious and ethical teaching enjoins us to "consider not only your own interests, but also the interests of others," to be honest, and to respect moral limits. Principled, altruistic behavior exists at every level from personal life to the international system. A few individuals open their hearts

to engage in daring acts in defense of others, as Raoul Wallenberg did, or are gripped like Mother Theresa's Sisters of Charity by a lifelong dedication to the poor, the homeless, and the dying; but smaller acts of honesty, kindness, or courage are more common. Many people make sacrifices for the common good, or for strangers, in daily life. Kohn draws on a growing literature to document widespread altruistic and prosocial behavior: on people giving time, money, and blood, on empathetic distress, on concern about justice, on bystander intervention in emergencies, and so forth.¹⁴ Hornstein, Fisch, and Holmes note that 50% of people will mail back an apparently lost wallet.¹⁵ The Carnegie Foundation Hero Fund Commission commends dozens of "outstanding acts of selfless heroism" in the United States and Canada each year.¹⁶ Fellner and Marshall observe that many people donate a kidney to a stranger without consideration of anything about the recipient except that without it he will die.¹⁷ Staub cites examples ranging from minor assistance to cases where people risk their lives to save strangers.¹⁸ Krebs likewise concludes that "a substantial amount of research indicates that people may behave prosocially to maintain equity and justice in interpersonal relations."¹⁹

Group relations, also, can be informed by principled concern for fairness and for disadvantaged groups. No society is without vast amounts of selfish behavior, and power and unbridled self-interest may be even harder to curb in society than in the life of the individual. But the degree to which unnecessary social viciousness, kindness, reform, and principle are present varies widely. There are notable examples of groups and communities acting in organized ways for the sake of others, as the villagers of Le Chambon in France did, in shielding thousands of Jews from the Nazis at risk of their own lives as a part of their vision of the social meaning of their Huguenot faith.²⁰ Generosity can operate socially on a regular basis as well as in crisis. Richard Titmuss's book *The Gift Relationship* showed that systems of voluntary blood donation worked extremely well, providing sufficient amounts for hospital needs at higher quality than did systems relying on monetary or other incentives to donors. Attempts to supplement donations with purchased blood tended to undermine the voluntary provision.²¹ Concern for justice can shift power in society toward the powerless, sometimes with the consent of the powerful who have come to acknowledge the demands of justice. Significant devolution of power from privileged groups and classes has altered older, exclusionary forms of rule. Tocqueville's claim that the world had become more democratic with every succeeding half century since 1500 still holds true. Representative government, restraints on state power, extension of suffrage, the rule of law, awareness of civil and human rights, and the provision of social welfare benefits seem to be increasingly widespread. Martin Luther King showed the power of moral force, combined with effective

pressure, in successful nonviolent demonstrations that galvanized American conscience. Unaffected people of goodwill from across the country marched for racial justice in the South, and white legislatures and courts overturned legal segregation and mandated remedies for past wrongs. Many university and other communities embraced affirmative action out of conviction. Christopher Mooney observes that by "a 71% to 21% margin . . . white Americans agreed that 'after years of discrimination it is only fair to set up special programs to make sure that women and minorities are given every chance to have equal opportunities in employment and education.'" Courts and lawmakers sensed a rare "unified national interest in regard to a specific moral principle" and effected an unprecedented "transformation both in the distribution of opportunity and the obligations of government."²²

International politics particularly involve violence, the struggle for power, group self-centeredness, and indifference to the rights and fates of others. Power without law, morality, or social restraints especially characterizes relations between nations for many reasons: lack of a sovereign, an absence of acknowledged rules, ethnic prejudices, national pride that legitimates violence, fears of unlimited consequences that could lead even to death and enslavement. Interstate relations are often ruled by force, violence, and brutality, and understandable self-reinforcing expectations of anarchy. International politics is the one arena in which group differences are routinely settled by organized mass killing, by war.

Yet appeals to conscience have effected some significant changes even in international politics. Wilberforce and the English evangelicals worked tirelessly and effectively for the abolition of slave trading and slavery in the British Empire. Henry Dunant, horrified at wounded soldiers dying unattended at the Battle of Solferino, stirred the conscience of the world with his writing, in a way that succeeded in establishing the Geneva conventions on warfare as well as the Red Cross. Fridtjof Nansen gained lasting international commitments to assist refugees by his persistent appeals to the conscience of world leaders, and his successors established international status for stateless persons, a permanent office for refugees, and a presumption of international support for them which is now taken for granted.²³ Mohandas K. Gandhi, Martin Luther King's model, expelled the British from India, while preserving democracy and fostering norms of equality within, by determined and self-sacrificial moral suasion. Amnesty International and other groups have strengthened international support for human rights and given regimes notorious for their abuses a pariah status.

The notion that national self-interest must be a country's exclusive motivation is curious, in a way, because the effective pursuit of national interests presupposes idealism on the part of individuals. Existence of a

sovereign possessing a monopoly of force does not guarantee effective government. A country can be run despite cynicism and hostility toward the government and its laws, but it cannot be run well. Laws serving the interest of the holders of power alone seldom command wide assent; illegitimate governments may find it hard to get effective compliance even with legitimate, constructive, demands. Morale, loyalty, conviction that the national interest is worth serving are vital to the state. Unless residents of a country sense common interests and destiny, it is hard to resolve intergroup tensions which are bound to arise: some of the differences between national and international politics have disappeared. Effective administration also demands foresight and creative problem solving, which are needed to keep many complex factors in balance. Intelligent and loyal public service that keeps the country on track requires people with strong principles and ideas, who are willing to exercise independent judgment and risk disapproval in order make things work well. The effective functioning of the state relies in many ways on sustaining idealism and national loyalty. National self-interest, like commitment to international goals of peace and justice, requires principled idealists committed to the common good.

And idealistic people needed to serve the government are apt to have strong commitments not only to the nation but to mankind. Good citizens and officials have many sets of concerns: they may be strong adherents of a party, have strong aims for society, strong views about international questions, and so on. They seek to balance and reconcile official duties, personal goals, and broader principles so that all may be served. Finding ways to advance broader human interests consistent with national interests requires the same ingenuity and inspiration in balancing various loyalties that the running of the country does. The national state itself would be weak indeed, then, without the ideals and capacities that also make commitment to international peace and justice possible. And thoughtful, devoted support, including willingness to make sacrifices if need be, is elicited by worthy and inspiring goals, so that the idealism and public assent needed for effective national government may itself be strengthened by a broad, idealistic international vision.

SYSTEM-LEVEL DETERMINATION OF SELF-INTEREST

But does the diversity of human motives and social structures affect international politics? Most contemporary Realists eschew discussing human nature, and base their arguments upon the logic of the international system instead. To the extent that survival pressures tightly constrain states' behavior, internal characteristics cannot seriously affect state conduct, and discussion of the self-interested, destructive, and principled elements

in human nature and society is irrelevant. So it is argued that the international system inexorably shapes what states do, by presenting states with overwhelming incentives, or by eliminating states that fail to pursue self-interest relentlessly. This systemic conditioning and natural selection may also be supplemented by a competition for influence: states that follow realpolitik maxims grow and those that irrationally ignore the mandate to egoism decline and lose all influence (except as examples of folly, warnings not to be beguiled by a seductive idealism). States may enter into regimes, agreements, and cooperative behavior at times, but only as doing so furthers their self-interests. Is there such an inescapable, anarchic, self-help international system, which forces states to engage in self-interested foreign policy and makes international politics a realm apart, unaffected by the range of human motives and social structures?

Kenneth Waltz, perhaps the "father" of neo-Realist thinking, has elaborated this line of thought. His 1959 book, *Man, the State and War*, helpfully classifies analyses of international politics as first, second, or third image: those locating explanation in human character, in the internal structure of states, and in international anarchy, respectively. He begins by asking, "Can we have peace more often in the future than in the past?" and concludes that since human nature and the morality of individual states will always be imperfect, nations will inevitably settle disputes by warfare and act out of self-interest alone.

The third image . . . avoids the tendency of some realists to attribute the necessary amorality, or even immorality, of world politics to the inherently bad character of man. . . . No matter how good their intentions, policy makers must bear in mind the implications of the third image . . . : Each state pursues its own interests, however defined, in ways it judges best. Force is a means of achieving the external ends of states because there exists no consistent, reliable process of reconciling the conflicts of interest that inevitably arise among similar units in a condition of anarchy. A foreign policy based on this image of international relations is neither moral nor immoral, but embodies merely a reasoned response to the world about us.²⁴

Waltz's 1979 *Theory of International Politics* amplifies the same line of thought. There he claims it is a kind of theorem that in an anarchic system composed of functionally similar units the distribution of power alone determines that system's fundamental parameters: thus international politics is inevitably a self-help system. Main conclusions of classical Realism, including its deprecation of morality as impossible and unrealistic in international affairs, are reformulated as part of an inexorable systems logic. Even more than in Morgenthau, international politics is a realm apart, utterly distinct from human character and domestic society.²⁵

These extreme claims of structural determinism are incorrect for at least five reasons: survival pressures do not tightly constrain state behavior; the system itself can be altered by changes in the views and practices and relationships of its constituent units; realpolitik policies are not always those which reward states best; the moral tone of a state's international policies is a factor in its strength; and the ideas and domestic social values states hold are essential to reckoning their interests.

1. *States can choose to be public-spirited*, despite system constraints. States have to be wary, of course, but that leaves them a lot of slack. All organizations, all people, must exercise a reasonable prudence and care for themselves in order to survive. But they can pursue goals other than survival. The argument that structural pressures make system transformation impossible presumes that exigencies of survival in the system tightly constrain states, which must pursue self-interest single-mindedly or decline. "The international imperative is 'take care of yourself!'" Waltz tells us. "With each country constrained to take care of itself, no one can take care of the system." But the international system often does not tightly constrain states: it leaves them discretion, which can be used to aid those in need or to work on building a better international order.²⁶

The fact that the world is a dangerous place and that states must exercise prudence and be wary is not, in itself, an argument for Realism. The knowledge that the world is full of dangers can be used as the starting point for many different kinds of arguments. Idealists like Woodrow Wilson inferred the need for collective security arrangements, the importance of world public opinion, and the need to establish stable democracies on the basis of self-determination. One can argue that adherence to fundamental moral principle is the best guide to prudent policy: that genuine commitment to making a just and generous world society is the best foundation for long-term peace and prosperity. The idea that a dangerous, sovereignless world makes a self-help system inevitable is not self-evident.

Situations of anarchy, in which actors face potentially serious security threats which no sovereign polices, are not always "self-help" systems in which no one cares for the public interest, or the interests of others. Michael Taylor reviews substantial evidence on primitive and other communities that provide collective goods and maintain social order without sovereign enforcement, and gives a theoretical account of how this can happen. What happens in anarchy depends on the character of the units and on their process of interaction.²⁷ Josiah Royce's research on California mining camps bereft of state authority illustrates these points. Law-abiding Americans in an initial anarchy were able to combine to protect against wrongdoers. Harsh extralegal justice against malefactors and a

prolonged absence of a settled social life, not the inability to organize under anarchy, undermined social order over time. The sources of order and disorder had less to do with the anarchic structure and absence of sovereign enforcement than with individual character, the sense of community and common identity, the role of law, and the tendency for quasi-legal violence, once initiated, to become habitual.²⁸

Biological and economic selection pressures do not always force units into a single mode of survival. Firms and households behave quite variously despite the constant competitive pressure of market forces. Households must provide for themselves in an economic "self-help" system, but exigencies of survival do not keep people from taking risks and spending time and money to promote causes they believe in, or to spite people they hate. Firms do not just adjust to market forces; entrepreneurs, moved by ideas, create innovations like personal computers, as Schumpeter argued. Brian Arthur, Paul David, Douglas Puffert, and others explain how, where there are increasing returns to scale, the market leaves many technological and economic outcomes indeterminate; the final balance is an accumulation of small choices.²⁹ Similarly, Gould and Eldredge show there is no single fixed path in biological evolution; no unique equilibrium predetermines what is "fittest." Contingent events can send species and ecosystems down this path or that. "Organisms are not putty before a molding environment or billiard balls before the pool cue of natural selection. Their inherited forms and behaviors constrain and push back; they cannot be quickly transformed to new optimality every time the environment alters."³⁰ Organisms develop and retain characteristics not immediately useful for survival. The biological environment places some powerful constraints on organisms but does not tightly determine them.

Krasner argues that the states' system, like the marketplace and biological world, is contingent and may show great institutional persistence. The nation-state persists as a form, even where it is not efficient. This may consign us to a world that destroys itself for lack of cooperation, he argues.³¹ Indeed it may. But if so, the problem is not an inevitable result of international anarchy, but results from human blindness and institutional inflexibility. Nothing about an anarchic system as such makes pure self-help logically inevitable. The international system does not tightly constrain what states do; they have some slack, discretion, to build the world they choose.

2. *The system itself can change.* The international system is constructed from the interacting behavior of parts. The "system" is not a mystic entity exerting forces on the parts; only the behavior of the parts, past, current, and anticipated, provides the individual units with "sys-

temic” incentives. Thus, any factor that changes the way many units act changes the system, also. Where units and the system arise from the interaction of the units, forces at the systemic level and internal forces that affect the units’ behavior are codetermining.

Most accounts in which the character of international politics is determined by anarchy presume that changes in units cannot alter the fundamental nature of the system or alter the basic quality of international life. Waltz specifically argues that self-help, *realpolitik* behavior is structurally required where functionally identical units compete in anarchy. “Some have hoped that changes in the awareness and purpose, in the organization and ideology, of states would change the quality of international life. [But in vain] . . . The only remedy for a strong structural effect is a structural change.”³² But this is simply erroneous, unless it is defined so as to make it tautologous. Axelrod, in his well-known *Evolution of Cooperation*, displays a system of competitive, functionally identical units of equal capacity within which the kind of behavior that pays off depends not upon the distribution of power but upon the distribution of policies.³³ In Axelrod’s model, cooperative behavior becomes more profitable for all actors when a number of units adopt more cooperative policies. Increasing returns to cooperation mean that moves toward more cooperative policies can snowball. Moreover, he shows that under some circumstances, actors with policies which would not do well in the existing equilibrium of a system can “invade” it; by sticking together, states with cooperative policies can support one another in order to thrive in a less benign world and, ultimately, to alter it.³⁴

The idea of increasing returns to cooperative conduct in international affairs is implicit in a number of classical arguments for cooperation. Both Saint-Pierre and Kant argued that if some states adhered to a defensive league, other states would face increased incentives to join.³⁵ One can imagine other, similar propositions. If democracies don’t fight one another, the spread of democracy alters states’ incentives. If social-democratic states are moved by human compassion to help states suffering internal calamities instead of exploiting their weakness, that affects the amount prudent states will spend on armies. If a sense of common identity allows states in an area to develop a common currency, or free trade, we live in a potentially different kind of system from one in which such a thing is an unthinkable loss of control. On the other hand, if states have enduring animosities based less on strategic vulnerability than on memories of historic wrongs, that also affects the system. If states that domineer over their own people present a greater threat to the people of nearby states, changes in domestic government can induce a more hostile, fearful system. Changes in interstate process and in the domestic character of

states, if widespread, may alter the tenor of the international system for good or ill.

Changes in foreign policy can set in motion dynamics that change the functioning of the international system. If domestic political systems affect foreign policies systematically, worldwide changes in domestic political systems may change the tenor of international politics. If political systems model their behavior on one another, changes of habits may snowball to make the system different. If citizens see themselves as part of a worldwide human family, or feel bound in their international dealings by moral and political principles that govern domestic politics, changes in “international society” can alter the basic quality of international politics.

3. *Cooperative behavior often pays off.* The existence of payoffs to cooperation does not disprove the idea that state behavior is egoistic. Much of the theoretical literature on international cooperation in the last ten years shows why cooperation can occur even among hard-shelled rational egoists. In itself, the existence of important returns to cooperation need not weaken the conclusion that unit behavior is determined by the exigencies of survival in a competitive system. Demonstrations that cooperation can pay are not claims that cooperation is inevitable.

But the claim that egoism is determined by the system does presume that the behavior the system rewards is *realpolitik*: ruthless, unprincipled, unfaithful, competitive, concerned with triumphing over others, unrestrained except by countervailing power or incentives. Waltz holds that insecure states “are compelled” by the nature of the international system to concentrate on relative, rather than on absolute, gains. “Structural constraints explain why the [same] methods are repeatedly used despite differences in the persons and states who use them.” These are *realpolitik* methods whose elements, “exhaustively listed, are these: The ruler’s . . . interest provides the springs of action; the necessities of policy arise from the unregulated competition of states; calculation based on these necessities can discover the policies that will best serve a state’s interests; success is the ultimate test of policy, and success is defined as preserving and strengthening the state.”³⁶ But if there are strong returns to prosocial as well as to self-centered behavior, states can seek to develop their interests in a way consistent with principled support of a better world. If the benefits of behaving like isolated units indifferent or hostile to others are often outweighed by the benefits of being cooperative, *realpolitik* behavior is not systemically compelled. No one doubts that there are pressures on actors to behave selfishly. Where there are returns to cooperative behavior as well, though, the system is ambiguous, providing mixed incentives,

and may permit reasonably successful states to pursue different kinds of strategies, according to the choices they prefer.

Some benefits accrue to cooperative behavior in one-on-one interactions even without specific agreements. Axelrod has shown how in long-term interactions actors who act cooperatively (but with reciprocity) can do better than actors who pursue their gains at the expense of others in a greedy or aggressive way.³⁷ There may be benefits from reputation: if actors can gain from having a reputation for "toughness"³⁸ they may also gain from reputations for trustworthiness, reasonableness, cooperativeness, or even generous good faith toward partners. Such reputations are the more valuable where there is much to gain from mutual bargains, and considerable fear of being let down. The benefits from being a partner others can trust are also amplified if specific cooperative arrangements end up creating international networks of policymakers.³⁹ Even with a single partner, cooperation on some issues may well also lead to the development of institutional links, which make further cooperation easier and cheaper.⁴⁰

However, finding a sustainable mutually beneficial arrangement among a group of actors often requires establishing international regimes—understood as principles, rules, norms, and decision-making procedures around which the behavior of states converges—and other kinds of cooperation under anarchy.⁴¹ The existence of such expectations changes state behavior because they alter states' incentives from what they would be in the absence of the regimes. Opportunities to find mutually beneficial deals are often missed in the absence of institutionalization of some kind. Clear delineation of expectations (including a framework of legal liability), the reduction of transaction costs, and the provision of information (particularly high-quality symmetrical information) to allow monitoring and coordination are all factors that can facilitate the creation and maintenance of cooperation.⁴² The greater the issue density and the greater the number of potential areas of cooperation among actors, too, the more opportunities there are for cooperation.⁴³ The availability of adequate information is important so that actors can assure themselves that cooperation continues to be in their own best interests and that others are doing their part. Mutuality of interests, the shadow of the future, and the number of players will all affect how easy it is to find and agree upon cooperative solutions.⁴⁴

Payoffs to cooperation can occur whether or not the actors are aware of them, and cooperation can sometimes evolve whether the actors are aware of its benefits or not. The payoffs to cooperation do not presuppose rational egoism. But cooperation will be slower to occur where actors doubt its viability or focus unnecessarily on relative gains. Axelrod's work shows that even quite sophisticated actors are in fact often mesmer-

ized by short-term relative gains, even when this focus serves them poorly in the struggle for survival. A grasping attitude is often an impediment to self-interest as well as to cooperation.⁴⁵ Thus, since several kinds of strategies are consistent with the state's survival, the individual and domestic political ethos can be important in choosing less or more cooperative strategies.⁴⁶

4. *A country's strength may be increased by deeply held ideals*, for a variety of reasons. The presence of strongly held ideals may work to unify a nation, just as it may serve as a "glue" holding together coalitions.⁴⁷ Countries are strengthened by "republican virtue," by citizen willingness to obey laws, pay taxes, and make sacrifices in time of need. A country whose internal legitimacy is damaged faces serious problems, no matter its coercive resources. Promoting the idea of the country as a good citizen in a larger world is consonant with promoting good citizenship at home. High purpose and ideals in a state's external dealings tends to attract dedicated, idealistic, bright public servants, which the state needs for all its goals. Articulation of a clear, compelling vision for the nation helps different elements of the country to work together more effectively. Idealism may foster insight into building constructive relations abroad.

Ideals and strong principles of domestic government may also restrain states from folly. Robert Osgood argues that states which ignore moral strictures are apt to become involved in self-destructive excesses. Jack Donnelly, in a powerful paper, "Thucydides and Realism," argues that just such unrestrained egotism, or *pleonexia*, led to the downfall of Athens.

Pursuit of power, interest and gain causes them, in the end, to lose all, largely because of the growing Realism of their policy. To renounce ethical restraint in foreign affairs, whatever the intention, is in practice likely to give free reign to passionate, grasping desire. In principle, rational long-term self-interest may check desire. In practice, this is unlikely, "unrealistic" in the ordinary sense of that term. As Robert Osgood notes, "it is certainly utopian to expect any great number of people to have the wit to perceive or the will to follow the dictates of enlightened self-interest on the basis of reason alone. Rational self-interest divorced from ideal principles is as weak and erratic a guide for foreign policy as idealism undisciplined by reason." . . . Without ethical restraints, the pursuit of interest is not clarified and purified, as Realists would have it. Rather, it degenerates into an uncontrollable grasping desire that in the end destroys even the desirer.⁴⁸

Rousseau's critique of Saint-Pierre's proposed peace plan, similarly, locates the problems not in international anarchy, nor in the true interests of states, but in the irresponsible passions and folly of kings. Monarchs

love “war and conquest without and the encroachment of despotism within” to the detriment of their countries’ strength as well as of their citizens’ well-being.⁴⁹ Kant, accordingly, held that members of a defensive league for “Perpetual Peace” should be republics, since states that conduct their internal affairs rationally rather than by sovereign fiat would tend to be more peaceful and just in international conduct.⁵⁰ Wilson’s view that the spread of democracy would promote peace continued the same line of reasoning.

Both the rationality of the state and its strength are often functions of its moral fiber. Pursuit of just and idealistic policies may provide the state reserves of commitment and of thinking unavailable to a cynical, exploitative, or realpolitik state. Genuine idealism and moral resolve are not simply unprofitable luxury items, although they cannot be manufactured to order when it is realized that they are useful. They provide a source of strength in domestic and international affairs, while also imposing some costs.

5. *State rationality is not independent of philosophical outlook.* The idea that structural constraints govern state behavior presupposes that statesmen know and respond to the requirements the system imposes. It therefore presumes that states’ rationality is a matter of calculating their interests, defined in terms of power. Social philosophy is irrelevant, for “changes in the awareness and purpose, in the organization and ideology, of states” cannot change the “quality of international life,” according to Waltz.⁵¹ Everything depends upon system structure; rationality consists in seeing the plain facts of power clearly.

But the facts of power are not plain and clear and do not lend themselves to objective perceptions of self-interest. Deciding how to serve even selfish interests depends upon one’s general outlook on international politics and requires judgments about what to think, trust in, and value. The great difficulties of rationality are not those of calculating what to do in a known world, or even of assessing probabilities among known alternatives. The real difficulties are those of understanding what the main features of the world are like.⁵²

Consider the problems scholars have in constructing accounts of international politics. Different scholars employ diverse basic models, based on Realist, Marxist, Liberal, and other paradigms. These disagree about whether the state, the international system, classes, or individuals are principal actors, about how actors are constituted, and about how they act.⁵³ Different paradigms often explain different things, with different evidence. Evaluating their relative accuracy is no easy matter and depends on judgments about what phenomena are most important. But judgments of what is important depend upon theorists’ value emphases, so that mu-

tually supporting descriptive and normative theories are often worked out together. Similarly, politicians, or voters, differ not only in their goals but in the way they see the world. The emphasis on distinct paradigms can be overdone, as can partisan differences in national policy debates. But the cardinal role that varying interpretive frameworks play in scholarship and in political life arises not from scholarly obscurantism or unnecessary partisanship; it inheres in the fact that the social world is difficult to interpret, and understandings of it are bound up with one’s moral and political outlook.

Any rationality with which states conduct themselves is not (as Waltz seems to imply) some inexorable realpolitik wisdom dictated by the international system (mysterious, invisible, yet more real than the things that are seen). Leaders are not demigods unswayed by human passions, philosophies, political interests, or moral concerns (as Morgenthau suggests). The rationality relevant to international politics is no mere matter of calculating payoffs from alternative futures with ascertainable probabilities and valuations. It is just this imaginative, imperfect, ideologically charged, outlook-dependent understanding that actual scholars, politicians, and publics have to use. So national self-interests emerge from a social process of choice and self-definition whose character and objectives are influenced by people’s basic values and views of life. Therefore, political assumptions and practices of domestic political life may systematically affect international politics. Parties and countries that differ in domestic politics will differ predictably in international politics. Their choices will be influenced by their moral and political outlooks, or by their inattention to ethical questions, and not simply by the technical implementation of some inevitable, structurally determined national interest. They are choices for which people are morally responsible.

AN ALTERNATIVE VIEW OF THE INTERNATIONAL SYSTEM

The same factors that indicate why action is not systemically determined also give clues in seeing how the richness of human motivation and thought, and of human society and relationships, have structural effects on the international system. Because there is slack in the system, actors’ views and preferences as well as their survival needs affect their choices, and long-term, nonobvious strengths and weaknesses of different outlooks have time to make themselves felt. Because the international system is built up of the behavior of its units, value-based foreign policy choices can reinforce prosocial behavior and resist sliding toward a system whose norms are determined by its worst members. Because there are benefits to acting cooperatively, fairly, and with restraint, developing long-term positive relationships with other countries and prosocial international con-

duct is more possible than at first appears. Because shorter-term advantages can glitter more than solid long-term gains, even cooperative policies that serve states' self-interests may occur only when supported by public-spirited ideals, and leaders with strong convictions may be needed to provide reasoned arguments, vision, and reminders of principles easily laid aside. Because analyses of the political and moral realm are based not just on complex calculations but on one's general outlook on human society as well, the vision and insight with which nations and statesmen approach international relations will reflect their overall moral and political outlooks, including their domestic political views.

Thus international politics reflect actors' principles and moral vision, or lack of them, as well as incentives and structures that the international system presents. This central point suggests three more specific hypotheses:

1. The beliefs, values, and practices of daily moral discourse and domestic political life tend to be transferred to one's understanding and conduct of foreign affairs.
2. A country tends to be influenced, both in its international dealings and in its domestic political institutions, by its experience and role in international society.
3. International regimes and practices often have an inherent social meaning, so that the change in those international practices which are constituted around well-grounded moral norms tends to be ongoing, norm-governed change.

The three subsections that follow discuss these three hypotheses in turn. The first hypothesis, about the influence of domestic norms on international politics, is an "inside-out" explanation; the second, dealing with the influence of international society, is an "outside-in" explanation.⁵⁴ The third, emphasizing how the social meanings of practices influence their evolution, is an explanation at the level of the international system; however because such "reflectivist"⁵⁵ or "constructivist" explanation involves social and moral meanings, it involves issues of human character.

1. *Systematic Domestic Influences on Foreign Policy*

The values and practices of domestic political life are apt to be preferred in international politics. Citizens and leaders who favor certain principles in domestic politics are more apt to approve their worth and see their usefulness in international affairs, or to use their assumptions and models without reflection. Familiar and valued methods of organization seem plausible, while no one feels comfortable with untried, "foreign" methods. For instance, leaders of a democracy might well value democratically

structured inter-nation dealings, such as an assembly of nations modeled on a democratic legislature. In addition to this, they would be more likely to think of such a model, and see its incidental practical advantages, than would officials of authoritarian countries.⁵⁶ The transfer of domestic democratic values to international relations may be one way of explaining the now well-established proposition that democracies seldom fight one another.⁵⁷ Similarly, a country familiar with particular economic arrangements domestically may be readier to cope with similar arrangements internationally, even where there is no strictly logical connection between the two. A country is prone to model international institutions and mechanisms and objectives on its domestic ones both because they accord with what it values and believes in and because they seem familiar and workable.

The influence of domestic political values, beliefs, and practices on a country's international policies should be clearly distinguished from the important idea that the desires and needs of domestic factions, and the outcomes of internal political bargaining, impinge on international policies. A country's needs to protect farmers, or placate its officer corps, or lower taxes may affect its international positions. The army or navy may insist on standard operating procedures even in moments of crisis. Capitalists may use the state to promote business interests abroad, and insecure holders of state power may reinforce their grip on power by seeking international support and prestige even if this is not in the national interest. Bureaucratic bargaining and domestic political demands certainly affect international affairs.⁵⁸ But the influence of such subnational interests is quite different from the structuring of international policies to reflect the values and beliefs and practices of national life. Jangling subnational interests are unlikely to move the conduct of international affairs in a systematic direction and cannot be expected to produce congruences between the forms of domestic and international life. They do not derive from general principles and are unlikely to lead a country to act public-spiritedly abroad. The impact of domestic factions and the clash of particularistic local interests impedes any broad international, or even national, vision. But the translation of principles of domestic cooperation into the international sphere can lead toward a higher-level rationality in which pursuit of the national interest is modified to take account of global human interests.

The creation and maintenance of foreign aid programs illustrates this transfer of domestic principles and practices to international politics in several ways. The countries with strong domestic social-welfare programs were the steadiest and most generous foreign aid donors. Politicians, parties, interest groups, and academic authors who disliked the welfare state disliked foreign aid; those who supported domestic redis-

tributive and antipoverty measures supported foreign aid. Opinion polls show that citizens who felt strongly about alleviating poverty at home were more likely to favor foreign aid. Those who made private donations to charities dealing with overseas poverty also tended to favor foreign aid. Aid was referred to as a kind of international welfare state measure by supporters and by critics, and arguments used to justify the welfare state were used, by popular speakers and by professional philosophers, to justify international aid. The idea of international assistance was originated by strong advocates of domestic welfare measures, and was possible only after there was widespread consensus that the government ought to assist poor people in domestic society.

The same idea can readily be extended to many other possible transfers of domestic norms and practices to a country's international dealings. One might hypothesize that countries and individuals that favored laissez-faire economic policies domestically were more inclined to favor free-trade policies abroad. Liss argues that nineteenth-century Latin American trade links with Britain and the United States reflected influence of the doctrines of liberalism on the thinking of Latin American elites.⁵⁹ Attitudes toward colonialism may tend to reflect domestic racial attitudes and colonialism probably reinforced domestic racism. The colonialisms of the sixteenth century and of the nineteenth century seem to have involved establishing stereotypes of the conquered nations as racially inferior. Determined opposition to colonialism in this century has often been linked to struggles against racism,⁶⁰ while the stiff criticism of colonialism by the sixteenth-century Spanish church involved opposing claims that American Indians were less than fully human. The Just War theory that the theologians at Salamanca used to impugn the Spanish conquest of the New World was based in part on an analogy between justice among persons and justice among states or human communities.⁶¹ Third World support for dependency theory and for delinking from the world capitalist economy in the 1960s and 1970s were based on socialist critiques of domestic economic political economy. There is a wide field for research in testing and refining the general proposition that domestic political practices and beliefs "systematically" affect foreign policy and interpretation of the international system.

2. *International Society as an Influence on State Behavior*

Practices and norms of international life also influence states' international conduct. Governments perceive their own state as a member of a society of states, and often seek to act in customary ways, or gauge their own nation's policies by those of other respected states, or conform to regional and worldwide norms. Citizens may see the state as operating in a worldwide human community, and judge state conduct based on

human reactions to problems foreigners face. Cross-national friendships and common enterprises among professionals, businessmen, scientists, and students lead to personal bonds as well as to shared understandings of correct international practice.

The influence of international society must be clearly distinguished from that of incentives of the international system understood merely as interaction among states calculating tangible costs and benefits of various courses of action. All theorists agree that states belong to an "international system" in which they make choices based at least in part on anticipations of how other states will react. Realism, however, depicts this system as utterly different from domestic society because, lacking a sovereign to keep order and restrain violence, it must be a self-help, "anarchic" order. In this view, states deal with other states not on the basis of likes or dislikes, trust or distrust, friendship or enmity, but on the basis of calculations of interest and concerns about the international distribution of power. Each state has this a-social character, so states cannot develop noninstrumental relationships with other states. Deals are struck but states, unlike natural persons in civil society, do not respond to each other in more than a calculating way, and do not expect others to do so. Each state's behavior is geared to calculation of its advantage; hence attempts to develop lasting friendships with other states are futile, even if some oddball state should want to try.

A view of the international environment as international society, on the other hand, presupposes that states may care how they are regarded by others, even when this makes little difference to their own prospects. They conform to customary practice not just to avoid injuring their interests but because they do not like to be thought odd. If states were calculating and incapable of more than instrumental relationships, they would not care if states they dealt with were odd, and thought them odd.⁶² Thus one must distinguish emulation and prestige which can be explained on Realist, or on rational egoist, grounds from emulation and prestige which presuppose a complex social awareness as an influence on states. Having a reputation as powerful, tough, reliable, honest, or even reasonable in its deals might serve a state's international interests. But having a reputation as sympathetic to the poor or as committed to upholding the international order cannot, unless the idea of state interest is defined in terms of broadly moral values as well as of power and wealth. When a state seeks to behave as neighbors or other admired states do, not to enhance its wealth and might but because such behavior is considered virtuous or indicative of an advanced social order, such emulation cannot be accounted for as an attempt to achieve success and security by emulating successful states.⁶³

Yet Ireland and Finland started giving foreign aid partly to feel that they were members of the peer group of nations they used in defining their

own identity. There is no evidence that other states disapproved of Finland's or Ireland's neglect of foreign aid, nor reason to think Finland and Ireland would have been hurt by such disapproval had it existed. And such disapproval would have made little sense from other egoistic states, for they would not have gained from Irish or Finnish aid. Countries like Norway and the Netherlands that donated high levels of aid also sought to define themselves as model donors. If the Norse and the Dutch sought to be seen as laudable, it is either because moral applause with no tangible benefits was important to them or because other states were willing to reward behavior they thought moral on behalf of third parties.⁶⁴ Again, country after country adopted strict worldwide standards for aid, despite the absence of any binding international agreement.⁶⁵

The hypothesis that states tend to conform to expected or approved behavior also suggests investigations in other issue areas and fits in with some existing findings. Thomson finds that the way in which states conduct war is stylized and involves important social norms.⁶⁶ Two centuries ago it was acceptable to wage war with hired foreign mercenaries; now it is not. Killing and enslaving inhabitants of conquered countries, a common if brutal practice in Thucydides's day, would make a state an utter outlaw today. Wars to acquire territory, normal enough in the seventeenth century, are increasingly regarded as unacceptable. Colonial policies that seemed natural in the nineteenth century would incur powerful international condemnation in the twentieth. In the sixteenth century, countries could employ a citizen of a foreign country as an ambassador; today such behavior would be impossible. Domestic practices, too, may be objects of international scrutiny, even when they do not affect international security. Countries that repress domestic minorities, torture prisoners, utilize disapproved political and economic systems, or practice open racism may be subjected to international pressure or even sanctions. On the other hand, countries seek the accoutrements of modernity—airports, modern hotels, a steel industry—whether or not these costly items advance their power. Also, advanced democracies, communist states, Third World states, socialist states, Islamic states, and Latin American, African, Arab, European, and Scandinavian states each cultivate special links with each other and try to conform to group-approved practice as well as to standards enjoined by world society at large.

3. *Development of Meaningful International Practices*

Changes in international practices such as foreign aid are influenced not only by domestic interests and international pressures but also by the essential concepts implicit in the practices themselves. Games like baseball and chess, John Rawls argues,⁶⁷ are constituted by their rules, which are unlike rules of thumb or ad hoc agreements; these practices make

sense only when understood “from within” in terms of those rules. Not only specific games but broad human institutions such as promise keeping and punishment for wrongdoing are constituted by their rules; how they can be set up or changed is restricted by human and ethical meanings that these rules embody. Engaging in such meaningful practices strengthens the underlying norms they embody, and the practices themselves tend to evolve in accord with these norms. Ferejohn argues that voting, when instituted in one context, may change the way politics is conceived, leading to the extension of the practice.⁶⁸ Social welfare institutions have strengthened the principle that they embody, that of caring for citizens' economic needs, and thus create pressures to alter and extend the welfare state. International practices too are subject to a “law of the instrument,” by which norms and standards implicit in them affect their subsequent evolution. Walzer argues, for instance, that states feel a need to justify their wars, and find themselves constrained by those justifications, which have their own stubborn logic.⁶⁹ In general, as various “reflectivist” theorists have argued, understanding the social meaning of international practices is important to grasping why those practices persist or change.⁷⁰

Many factors operated to make foreign aid practices evolve in accord with their “inner logic” or implicit meaning.⁷¹ Announcing programs directed to particular purposes created rhetorical momentum.⁷² Foreign aid programs were presented as development assistance to poor countries, from Truman's first articulation of the Point Four program onward. Putting aid on such a rhetorical footing made it easy to criticize aid for failure to help the poor, and harder to criticize aid for failure to serve other goals.⁷³ Public scrutiny and criticism of aid strengthened this momentum. The OECD's Development Assistance Committee (DAC), set up with independent professional staff and candid mutual criticism, helped recruit donor countries, but it also created ongoing pressures on donors to conform by making aid beneficial to recipients. Both in the UN bodies and in Western-dominated agencies like the DAC and World Bank, finding common ground in debate required appealing to general principles rather than to particularistic interests. Thus, setting targets for aid volume, concessionality, and attention to the neediest states played an important part in moving aid donors toward policies focused on recipients' developmental needs, too, despite an absence of formal agreements and highly variable levels of compliance with guidelines.

Support for aid depended in considerable measure upon its connection with wider spheres of moral and political reasoning. In the absence of definite agreements and sanctions, shared ideology or normative understanding can be particularly important.⁷⁴ The implicit norm of alleviation and long-term amelioration of poverty played an important role in foreign aid. The growth within the donor countries of aid professionals and others committed to Third World development was one aspect of this. To

have aid programs at all required staff with expertise, commitment to developmental goals, and professional standards.⁷⁵ Obtaining high-caliber leadership entailed finding people with independent judgment and broad influence who were committed to the eradication of global poverty, and not merely to national interests. The shared understandings of experts were part of a broader shared understanding in society. NGOs, groups of intellectuals, of churches, and of labor or labor-oriented parties with commitments to issues of equality and/or helping the poor all played a role in promoting foreign aid. Groups of citizens concerned with poverty, development, and international cooperation were formed because these issues found roots in the broader moral and political traditions of their societies. The plausibility and indeed conceivability of international cooperation and economic assistance rested upon the broad legitimacy that attached in domestic political affairs, and in everyday ethical life, to cooperative solutions, to compassion for the disadvantaged, and to inclusionary, democratic relations.

This tendency for important international practices and institutions having inherent social meanings to grow and develop along the lines of principles already implicit in them, as part of a wider society, may be observed in other international practices as well. The growth of the European Community was not just a series of specific deals; it depended upon the gradual creation of a strengthened sense of European identity. The development of the idea of world government from a few pre-World War I institutions, through the League of Nations, to the UN and its agencies, reflected a long-term development of norms of international cooperation and equality. This involved not only formal sovereign equality but a growing belief that an ethnocentric or Eurocentric worldview was biased and wrong.

CONCLUSION

Realism has long contended that international politics is profoundly and inherently conflictual. The bases for this claim vary from aggressive human nature to the character of the state or of the international system. I have argued (1) that human nature is highly varied, and can produce destructive, merely self-interested, or principled and altruistic deeds, and (2) that the international system does not require prudent states to concentrate so exclusively on their own needs that no one can take care of the system, or of weaker neighbors. Systemic forces do not entail any one way of coping, but permit a range of state behavior and various types of international systems. The ambiguities which give states significant choices suggest that philosophical and ideological differences can shape how states behave. Principles and values systematically affect the world system, and waxing or waning ethical concerns and changes in domestic

political systems can significantly alter the overall character of international politics.

This opens up several distinct lines of investigation and hypothesis testing, about domestic influence, international norms, and the inherent meanings of various international practices. Each of these hypotheses involves denying that the processes of international politics are discontinuous from the social and moral character of personal life and civil society. Moral factors can alter the tenor of international life, not only in peripheral ways, but by changing the character of the system.

Cooperation stems not just from incentives but from underlying attitudes and values. Insofar as cooperation is simply making mutually advantageous (pareto-improving) deals, there is nothing particularly fine about it: it may tend toward or away from peace or the restraint of oppression or concern for the needy. Cooperation is valuable where it involves an ethic of working together to promote essential and humanly beneficial change. Understanding cooperation narrowly conceived of as cooperation among rational egoists is not alternative but complementary to moral factors, because practices of cooperation once begun have an inherent logic that may lead states in self-interested cooperative arrangements toward broader cooperative values. But for just these reasons it is important to start developing analytic conceptions of cooperation that show their relationship to the moral bases of society.

The forty-year history of foreign aid shows how many concepts discussed in this chapter worked out in practice. Differences in domestic political principles, among leaders and publics, best explain systematic differences between the aid programs of different states and the reasons that aid got started. The role of international society was at work, both in the dialogue between less developed countries and aid donors and in the sense of appropriate behavior that constrained the donors as members of the OECD. That practices once undertaken had their own momentum, and grew and changed influenced by the meanings that constituted them as practices, may be seen both in the developments that prepared the way for aid and in the evolution of foreign aid practices.

Strong humanitarian convictions shaped this large, novel, and important aspect of international economic relations. Foreign aid is a paradigm case of the influence of crucial moral principles because of its universal scope, as assistance from well-off nations to any in need, its focus on poverty, and its empowerment of the weakest groups and states in the international system. For the book as a whole argues what chapter 2 presents in summary: foreign aid cannot be explained on the basis of the economic and political interests of the donor countries alone, and any satisfactory explanation must give a central place to the influence of humanitarian and egalitarian convictions upon aid donors.

CHAPTER TWO

Why Was There Any Foreign Aid at All?

The very idea that the developed countries, in all their dealings with underdeveloped countries, should show special consideration for their welfare and economic development, and should even be prepared to feel a collective responsibility for aiding them, is *an entirely new concept dating from after the Second World War*.

—Gunnar Myrdal¹

THE THEORETICAL PUZZLE OF FOREIGN AID

Why did the developed democracies provide economic aid to less developed countries from the 1950s onward? The net economic foreign aid from the developed countries has exceeded \$500 billion over the last forty years. Net aid has been greater than net investment by multinational corporations in the Third World every year since the fifties, and has often exceeded all net foreign commercial investment and lending combined to less developed countries. Donor participation has been widespread. Denmark and Austria, New Zealand and Germany, Britain and Finland, and ten other countries have foreign aid programs larger, as a percentage of GNP, than that of the United States. Nearly all poor countries have been regular recipients of aid. Donors have maintained aid programs steadily since the fifties, and most programs have gotten stronger over time. But regular programs of foreign aid were completely unheard of before the end of the forties. What led to this sudden and historically unprecedented departure from past practice?

This book argues that foreign aid cannot be accounted for on the basis of the economic and political interests of the donor countries alone; the essential causes lay in the humanitarian and egalitarian principles of the donor countries, and in their implicit belief that only on the basis of a just international order in which all states had a chance to do well was peace and prosperity possible.

Such a thesis will provoke incredulity on the part of many readers, yet the evidence is rich and varied both for the negative proposition that the economic and political interests of the donor states do not explain foreign aid and for the affirmation that humanitarian concern and public-spirited

commitment to building a better world were the mainsprings that made foreign aid go forward. Official statements advocating aid, from Truman's Point Four in his inaugural speech to the Brandt Commission Report and beyond, which speak of aid both as a moral duty and as an essential component of a newly interdependent world's economic and political health, could be merely a mask for national self-interests. But evidence about what donor countries did and about which countries and persons supported aid shows again and again the role played by humane concern, domestic welfare values, and a commitment to being a constructive part of a sound international society. Donors spent aid moneys mainly on poor countries of little strategic or economic value (chapter 3). The countries with strong aid programs were not those with strong interests in the Third World but those with strong domestic social programs (chapter 4). Public opinion favored giving aid to needy, not economically or strategically useful, countries, and public support was based on moral concern and commitment to domestic welfare concerns. The parties, politicians, and writers who supported aid were those who supported measures to help the domestic poor, while those who opposed aid tended to be cold warriors and staunch advocates of laissez-faire capitalism (chapter 5). The circumstances that led to the creation of aid programs suggest that their roots lay in the development of the welfare state and of a broad internationalism (chapter 6). The ways in which aid changed over time suggest that aid was regularly reformed to make it more useful to the poor and the developing countries, and less useful for the promotion of direct donor interests (chapters 7 and 8). These chapters, and the argument of the book, are summarized in more detail later in this chapter, in the section entitled "The Evidence about Why There Was Foreign Aid."

That does not mean that donor self-interest never played an important role: of course it did. It would be astonishing if only one set of factors played any role in programs sponsored by some 18 donor states and a score of international agencies, and directed to some 120 recipients over a period of more than forty years. Critics on the left have assailed foreign aid as simply a tool of cold-war interests and as a way of promoting the destructive inroads of capitalism in the Third World. Critics on the right have assailed foreign aid as a boondoggle, an inappropriate use of tax dollars, an instrument that props up inefficient socialist regimes and encourages state planning, and the tool of self-serving bureaucrats. Realist commentators have fit aid comfortably into the box of promotion of national self-interest.² Each group makes points important both to understanding aid and to reforming it. It cannot be stated too strongly that self-interested motives did play a part in foreign aid from time to time. It was hard to keep constituent and state economic interests out of aid, although the effort was increasingly successful. Even private charities con-

cerned with Third World development have a self-serving side, as Brian Smith points out.³ Human action at every level of human society is a mixture of principled and humane, of self-interested, and of pointlessly destructive actions. In this mix it is all too common for selfish and destructive elements to dominate, particularly in international affairs. But for just this reason, it is essential to understand the range of variation and the way in which the more positive side of human nature can come into play, in international affairs as elsewhere.

One must not lose sight of the overall picture by applying an unrealistic standard. If we apply too exacting a standard of "true democracy," we will find there are no true democracies in the world; that does not mean there is no difference worth considering between England and Iran, between India and China, or between Frei's and Pinochet's Chile. Indeed, it would not be conceptually useful to hold up a standard of perfection in examining whether a commercial firm is intent on profit or a major army concerned with winning wars. In any large enterprise, some people will be concerned with goals other than the enterprise's essential purpose. If foreign aid is measured against the purity of heart of Saint Francis or Mother Theresa, it will be found terribly imperfect; if it is measured against the normal practice of international affairs, it will be seen as a very hopeful phenomenon, in which humane concern figured most importantly, though by no means exclusively. Foreign aid was imperfect and too often reflected donor interests, true. Reforming and improving development assistance is a pressing need. But one seeks to reform and strengthen only enterprises whose fundamental purpose is sound.

Judged by any reasonable standard, the evidence shows that, despite all the admixtures, the fundamental purpose behind aid was a strongly humane one.⁴ Perhaps as much as a third of the money classed as economic aid primarily served commercial concerns, cold-war rivalry and fear of communism, support for allies, maintenance of colonial and regional ties, or attempts to promote market economies, which all played an important part from time to time.⁵ But aid programs were tailored primarily for the promotion of economic development, alleviation of poverty, and creation of a just and workable international order. Without principled support, aid would never have been started and would have ended quickly; and where there was strong, principled support for aid the influence commercial and strategic concerns had on aid decreased and the volume of aid increased. For the effective support for aid came almost exclusively from an inclusive, humane internationalism, which perceived a responsibility on the part of the developed countries to help fight poverty in the less developed, and which conceived of the world as an interdependent whole whose problems were the concern of all peoples.

Basic Facts about Aid

Before turning in more detail to evidence about the causes of foreign aid, it is necessary to define the phenomenon and to present a few basic facts about it. "Aid" or "foreign aid" or "development assistance" or "ODA" (overseas development assistance) are used here interchangeably to denote *gifts and concessional loans of economic resources, such as finance and technology, employed for economic purposes provided to less developed countries by governments of the developed democracies, directly or through intermediaries such as UN programs and multilateral development banks.* "Developed democracies" here refers to the countries that were members of the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD), namely, Canada and the United States, Austria, Belgium, Denmark, England, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Switzerland, Sweden, Australia, Japan, and New Zealand, which will also be referred to as "OECD" or "DAC" donors. Commercial loans, or loan-like transactions by multilateral organizations such as the market-rate lending of the World Bank, are not included; this means that almost none of the activity of the International Monetary Fund (IMF) counts as aid by the standards of this book.⁶ In practice, the figures used are those provided by the DAC, and the figures used in the book are net disbursements, unless otherwise stated, so that the figures in discussion are approximately net transfers, as explained in more detail in the notes.⁷ The main points are that military aid and loans at near-commercial terms, and all official export credits, are excluded; that aid from communist countries and OPEC countries is not what is being explained (though it will be discussed); and that the explanation is of aid to less developed countries (LDCs), not, for instance, of Marshall Plan aid to Europe. In sum, *the foreign aid referred to here is concessional economic assistance, direct and indirect, from the developed democracies to the Third World.*

Foreign aid of this kind was virtually nonexistent before 1949. Strong states have seldom promoted outward flows of financial and technological resources; they have sought tribute or "protection money" from weaker states instead. States often seek to prevent outflows of investment and technology even on commercial terms, since possession of capital and technology have been seen as advantages for the state that possessed them. The liberalism of the nineteenth century was unusual in eschewing mercantilist policies by advocating and allowing more-or-less unhindered commercial flows of resources. The free or near-free provision of technology and finance to weaker states is an extremely anomalous and recent departure from all past practices.

During and after World War II American policymakers started assuming concern for economic conditions worldwide. The twentieth century had seen a growth of internationalist sentiment and of national welfare states pledged to the eradication of poverty. These trends came together in the thirties and forties in an idealistic commitment to establishing a world with “freedom from want” as well as “freedom from fear”⁸ and in a belief that “poverty anywhere constitutes a danger to prosperity everywhere.”⁹ The way for aid to the less developed countries was paved by wartime and immediate postwar programs for relief and reconstruction, like the UNRRA, and by the establishment of the IMF, the IBRD, and the UN and its economic and social council (ECOSOC). Concessional aid to Europe in the Marshall Plan, or European Recovery Program (ERP), also set an important precedent after the war. The Marshall Plan was important in that it was in principle open to all in the region, and important also for the later development of foreign aid because of its impetus in establishing the OEEC. Still, nothing like a general program of assistance to less developed countries was undertaken, or conceived of.

In January 1949, the fourth point of President Truman’s inaugural address contained a surprising call for a “bold new program” of economic and technical aid to poorer countries. Within three years of Truman’s Point Four proposal not only had a U.S. program of ongoing aid been adopted, but the Colombo Plan for South Asia had been sponsored by Britain, Canada, and other countries; and in the UN calls for further development programs had found their first fruits in establishment of an Expanded Programme of Technical Assistance (EPTA). In addition, the World Bank (or IBRD) had shifted its lending from European reconstruction to Third World development, starting primarily with loans approved in January 1949, only days before Truman’s speech.

Since that time, foreign aid has been an important phenomenon, a highly significant and long-lasting part of the financial relations between LDCs and advanced capitalist democracies, as table 2.1 shows. Indeed, it is surprising that theories of international political economy have not paid more attention to it. Total foreign aid from 1950 to the present by developed democracies has been over \$500 billion; reckoned in constant 1988 dollars, the total is around \$1.1 trillion. Net foreign aid has been larger than OECD direct foreign investment in the Third World in every year since the midfifties; indeed in most years, and in the aggregate, it has been more than twice as great. Total net private investment in the Third World began to match aid only with the ballooning of commercial lending that followed the oil shock of 1973, and has fallen below aid levels in recent years. It is not yet clear which will be the larger flow in the next decade. Even these figures understate the relative impact of foreign aid in most LDCs, however, because private investment, both transnational eq-

TABLE 2.1
Volume of Aid Compared with Private Financial Flows to the Third World

<i>Net Financial Flows, Current Billions</i>	1950-55	1956-60	1961-65	1966-70	1971-75	1976-80	1981-85	1986-89	<i>Total 1961-89</i>
Net foreign aid (ODA)	11.7	20.3	30.1	32.7	50.7	98.4	139.2	173.1	524.2
Net private investment of which:	—	13.5	12.1	26.3	51.4	158.6	164.8	108.0	521.2
FDI (multinationals)	—	—	9.8	13.3	32.4	50.0	51.7	69.0	226.2
Aid (constant billions)	79	115	146	144	145	170	208	184	1,146

Sources: Computed from OECD, *Development Cooperation and Development Assistance*, various years: 1961, p. 19; 1964, pp. 106-9; 1967, pp. 184-85; 1970, pp. 172-73; 1974, p. 232; 1977, p. 188; 1978, p. 216; 1981, p. 196; 1982, p. 218; 1985, pp. 334, 336; 1986, p. 284; 1990, pp. 264, 267-68; 1991, pp. 197-98.

Notes: Table entries are in billions of dollars, all current save the last line, which is in 1988 (billions of) dollars. ODA figures before 1960 include other official flows, but these are relatively small. The constant figures are in 1988 dollars, computed using a GNP deflator.

uity and lending, is highly concentrated in a few newly industrializing countries, while aid is much more widely spread. In the dealings of most LDCs with the West, and of most Western countries with most LDCs, then, aid is by far the preponderant financial flow.

Despite the initial U.S. lead, aid was not primarily an American project but a broadly based international effort by the developed countries. The United States, the Colombo Plan donor countries (England, Canada, Australia, and New Zealand), and France were joined in aid giving in the late fifties and early sixties by virtually all the remaining industrial democracies. The OEEC, or Organization for European Economic Cooperation, that had been originally the instrument of Marshall Plan aid to Europe, was reorganized in 1961 as the OECD, the Organization for Economic Cooperation and Development, with Third World development an explicit priority and with a special Development Assistance Committee (DAC) to guide and order and monitor aid practices. U.S. aid was about a quarter of the DAC total for many years; more recently it has declined to a fifth or sixth of all DAC aid. And since the midsixties the United States has been a relatively uncommitted aid donor; other developed countries have devoted a substantially larger proportion of GNP to foreign assistance. By 1978–83 the United States share of foreign aid was about one quarter of the aid total; by the end of the eighties, a fifth or a sixth. By the midseventies, the Netherlands and Scandinavian donors combined contributed more aid than any single donor but the United States. By the early eighties, small donors provided three fourths the aid the United States did.¹⁰ Throughout the late sixties and seventies, also, the emphasis shifted toward aid more focused on the poorest countries and poorer sectors within countries, and to aid channeled through multilateral institutions. The IBRD added a concessional finance facility, the IDA (or International Development Association), in 1960 and was joined by regional development banks, also with soft-loan windows, over the following decade. After long pressure, the rich countries agreed to fund a UN Development Program at a substantial level, starting in the mid-sixties, as well.

Indeed, however one explains the puzzling occurrence of foreign aid, any satisfactory explanation must look at the aid policies of all the developed countries together, since most industrial democracies had a working aid plan by 1957, a mere four or five years after the Point Four program actually began operation. The sudden appearance of aid in the postwar period cannot be understood on a case-by-case basis. Looking only at French aid, one could hypothesize that it sprang from France's unique pride in disseminating its cultural traditions; looking just at Swiss aid, one could argue it showed the special place of Switzerland's international banking industry; U.S. aid alone could be attributed to U.S. hegemony or

to American exceptionalism in foreign policy; and Japan's aid might have been a tool of its export promotion strategy. But explanations of this kind do not explain why aid policies arose in all these industrial democracies at once, in a single decade, and have remained for nearly half a century. Clearly an element of imitation or diffusion was at work here; however, that is not an explanation but a restatement of the problem. Nations copy ideas they reckon appealing; the question posed by the approximately simultaneous appearance of multiple aid policies is why so many nations found the idea attractive. While there was some variety in aid policies and motives among the industrial democracies, the key to the development of aid is to be found in common causes and in factors that influenced the whole tenor of the times.

Distinctive Characteristics of Aid

The aid policies of the OECD countries also have a complex common structure which attests to a systemic influence at work that requires common explanation. The OECD aid policies that emerged suddenly in the fifties shared a host of distinctive features, all related to the alleviation of poverty and fostering of economic development. And these features have been strengthened regularly through the forty years that aid policies have been in place.¹¹ This continuity of policy and these common distinctive properties that reliably characterized OECD aid further underline the novelty of aid and add to the need to find a common explanation for the emergence of the foreign aid of the developed democracies.

Aid funded by DAC countries was large-scale, regular, and ongoing; publicly given, internationally monitored, often multilaterally channeled, and generally available to any poor nation; concessional, and usually untied to explicit military, economic, or diplomatic bargains;¹² and provided for projects of economic betterment (usually development rather than relief), designed by technical experts and economists, and subject to formal conditions to assure attainment of humane or developmental purposes or (allegedly) sound economic policies in recipient countries, not to their foreign policies or other external behavior.¹³ These many common features or characteristics may be grouped roughly in four main sets, which can be elaborated a bit more fully: aid was substantial or solid, public, concessional, and developmentally oriented.

Aid has been solid, or substantial, in three respects that distinguish it from the few previous instances of official international transfers. It has been large in scale—generally exceeding donor direct foreign commercial investment in the Third World, for instance, and ranging up to 1% of donor GNP or more. It has been provided on a regular basis, continuing

with slight fluctuation from year to year. And it has been ongoing in the sense that, once started, aid has continued until now. Both the size of aid and its reliability have been important aspects of its usefulness as a tool of development.

Aid has been a public or open process, rather than a set of private transactions between individual donor and recipient states. Amounts and forms of aid are published by OECD countries and multilateral agencies and are collated, analyzed, and defined by technical experts in the DAC. Much aid (up to 30% in recent years) has been channeled through multilateral agencies, such as the IBRD and UNDP, which are run by international civil servants. Some of these organizations are responsible to the donor nations as a whole; others are responsible to the developed countries or to the full UN. Moreover, it has been presumed that less developed countries of every sort were candidates for aid: aid is conceptualized as being for poor countries at large, not only for special friends or allies.

Aid has been concessional, in two main respects. It has been offered as grants or as loans bearing such low interest as to have a very high grant element.¹⁴ And these grants or soft loans are generally not linked to reciprocal international behavior by recipients: there is no explicit quid pro quo. In the nineteenth century, a richer state occasionally supplied a poorer one money (or even the right to sell bonds) in exchange for a diplomatic concession on terms such that if the state receiving the money changed its policy, the money might be demanded back. Such a thing would be unthinkable opprobrious in the context of the aid regime. Clearly, pressuring goes on at times, especially by the larger bilateral donors, involving an explicit or implicit threat of suspending future largesse. And a portion of aid is openly tied to purchases from the donor nation. But these are exceptions to the general principle, not the standard they were for the few transfers of earlier centuries.

Finally, *aid is oriented toward economic development and alleviation of poverty*. It is provided for particular recipient domestic tasks, directed toward the growth of the recipient's economy or the alleviation of poverty as a rule. It is often provided in the form of "project aid" geared to a particular economic development undertaking, and also provided as "program aid" supporting a wider range of the programs in some sector of the recipient's budget.¹⁵ Whereas international reciprocity is not ordinarily a condition for foreign aid, its proper domestic use, for purposes of economic development and the like, is. And the personnel and the structures of aid agencies, bilateral and multilateral, are organized and

chosen with this in view. Also, over time, development lending has moved more toward projects, such as agricultural and rural development, that will have more impact on the poor within a recipient country.

THE EVIDENCE ABOUT WHY THERE WAS FOREIGN AID

One way of assessing what lay behind aid programs is to look at how donors allocated their aid resources—at where the money went. Evidence on this point is examined in detail in chapter 3. Aid money went not primarily to countries of economic and political importance to donors but to recipient countries with great needs; and aid programs were set up and administered not to maximize donor influence but to promote economic development. Aid was not directed primarily to countries that traded heavily with the developed countries, as table 2.2 makes clear. While there was some correlation between aid and trade, it was small and fell quickly; furthermore, when one controls for the fact that a large country like Bangladesh has more substantial trade and aid because of its size than does the Maldives Islands, the correlations are near zero or even negative. It is true that statistically several major bilateral aid donors show a significant relation between trade and aid, and not between aid and poverty of recipient, but the correlations are low. But the total figures on aid, bilateral and multilateral, show significant poverty orientation. Even in the early years, most concessional economic assistance was directed toward poor countries with relatively low trade and private investment and relatively low growth prospects. India has been a big recipient of aid; Mexico and Brazil have not. Table 2.3, showing the aid, trade, and private investment of OECD states to recipients classified by level of income, makes the point concisely; a more detailed treatment is given in chapter 3. This directing of aid to states with low income and private transactions contrasts markedly, too, with the distribution of official export credits. Such credits, which were clearly given as an export promotion tool, went to states with high GNP, trade, and private investment.

Most aid programs required that funding go only to specific, developmentally relevant projects; over time, there were attempts to emphasize projects and sectors that would benefit the poorest people in recipient countries. Aid administration was not undertaken by diplomats but by economic and technical specialists, usually in an administratively separate aid agency; those who made line-level aid decisions were not those with an interest in politics but those trained in economic development. True, initially some states tied much of their aid to purchases in their own country, but even these tied purchases did not cover the cost of providing the goods; and aid tying declined markedly over time, and has applied to

TABLE 2.2
Bilateral Aid Correlated with Trade:
Plain and Partial Correlation Coefficients between Bilateral Aid and Trade
between the Third World and the OECD as a Whole

<i>Aid Correlated with</i>	1968-73	1984-88	<i>Type of Correlation</i>
Donor exports	.345 [†]	.249 [†]	Simple correlations
Donor imports	.286 [†]	.156	Simple correlations
Donor exports	.105	.011	Controlled for recipient size
Donor imports	.012	-.110	Controlled for recipient size

Sources: Data from tables 3.4 and 3.5.

Notes: Number of Third World countries: $N = 105$.

[†] significant at a .01 level (unmarked correlations are nonsignificant at a .05 level).

TABLE 2.3
Aid and Commercial Flows, by LDC Income Class (Percentages)

<i>Type of Flow</i>	<i>Period</i>	<i>Middle and High Income LDCs</i>	<i>Low Income LDCs</i>	<i>Least Developed Countries</i>
Bilateral Aid	1968-82	40	60	19
Multilateral Aid	1968-82	30	70	28
Export Credits	1968-82	84	17	3
Exports of OECD	1968-77	86	15	3
Exports of OECD	1978-81	82	18	3
Private Capital	1971-76	86	14	2
Private Capital	1978-81	87	13	2

Sources: Data from tables 3.11 and 3.13, and from OECD, *Geographical Distribution of Financial Flows*, various years.

Notes: Figures for low income countries and for middle- and high-income LDCs may total to slightly more than 100% due to rounding error. "Least developed countries" is a subcategory of "low income countries."

a minority of aid in recent years, even counting all gifts of food aid and donor provision of technical assistance in the "tied aid" category.

Also, a growing proportion of aid was given by the donor states to multilateral institutions such as the United Nations Development Program, the Social Trust Fund of the Inter-American Development Bank, and the International Development Association (IDA), the development fund of the World Bank, as table 2.4 shows. Aid channeled through these sources—almost a third of the total—could not even be identified as coming from any particular donor. Many donors consciously undertook to direct a large proportion of their aid to the neediest recipients, and multilateral institutions tended to favor large, poor recipient states even more

TABLE 2.4
DAC Aid Going to Multilateral Institutions, 1956-1989 (Percentages)

	1956	1960	1970	1980-84	1985-89
Aid from all DAC countries	7	13	14	31	28
United States aid	4	8	12	31	20

Source: Data from table 8.6.

Note: Figures through 1970 are based on percentages of net total official flows, since separate ODA data are not available before that date.

TABLE 2.5
Strong and Weak Aid Donors Classed by Domestic Social Spending and Private Charitable Contributions to Third World Development

<i>ODA/GNP</i>	<i>Domestic Social Expenditure</i>		<i>ODA/GNP</i>	<i>Private Charitable Donations to Third World Development</i>	
	<i>High</i>	<i>Low</i>		<i>High</i>	<i>Low</i>
High	7	2	High	6	3
Low	2	6	Low	2	6

Source: Data from table 4.3.

Note: Table entries show numbers of DAC donors. Ireland is not included.

than bilateral aid programs. Probably about one third of aid can be attributed to direct donor self-interest.¹⁶ If aid had been intended to serve the economic or foreign policy of donor states, it should have been more fully tied, all bilateral, and directed primarily to economically and strategically important states. What we see in fact is what should have happened if aid was intended for purposes of economic development: aid administered by professionals, often multilaterally channeled, directed primarily to poor states with low commercial potential.

Another way of assessing what lay behind aid programs is to look at which countries were strong aid donors—at who paid the aid bill. Evidence on this point is examined in detail in chapter 4. Among the developed democracies, the country with the strongest overseas political interests, the United States, was not a vigorous aid donor, measured in terms of aid per capita or aid as a percentage of gross national product (ODA/GNP). Countries with strong colonial or financial connections to Third World countries were middling in their aid spending. The stronger donors tended to be those with strong domestic social welfare programs and those with strong private contributions to private voluntary organizations, as table 2.5 illustrates. Donors like Norway and Sweden, with strong domestic social programs and aid programs of high quality, focused on the poorest countries and groups, and tended also to commit

much higher percentages of GNP to aid. The United States, with its mixed humanitarian and strategic rationale for aid, declined in its commitment over time; while countries that increased their volume of aid also tended to improve aid quality.

The entire set of developed democracies, furthermore, showed as a group a kind of commitment to aid that no other group of countries did. While the Soviet Union and Eastern European countries (through their organization CMEA, or Council for Mutual Economic Assistance) initiated "aid programs" after the West did, the programs were much smaller in scale, usually involved only loans, were fully tied to equipment from the CMEA countries, had virtually no multilateral component, and, especially after the first few years, focused almost exclusively on a few, close strategic allies—Vietnam and Cuba primarily. There was nothing similar to the widely dispersed, concessional aid that all democratic donors supplied. Yet some of the potential Eastern European donors, such as East Germany, were at least as developed as the poorer Western donors, some of which, like Ireland, Finland, and New Zealand, joined in regular aid giving only in recent years. Engaging in publicly monitored, widely dispersed, concessional, multilaterally channeled aid programs was characteristic not of states that were economically strong nor of those involved in world politics but of states with strong commitments to responding to poverty at home.

These interstate comparisons receive additional confirmation from an examination of what led people to favor aid and of what kinds of people and groups supported aid programs—of who advocated aid, and why. Evidence about public opinion and about what kinds of parties, factions, interest groups, politicians, and scholars supported (and opposed) aid is detailed in chapter 5. Just as *countries* with strong domestic social spending and high private voluntary contributions to Third World concerns tended to favor aid, so *individuals* who thought domestic poverty and inequality serious problems tended to favor aid. Organized aid constituencies, such as church, university, and labor, and charitable groups asked both for purer aid and more aid; groups that wanted to subordinate aid to commercial or strategic purposes were either indifferent to aid funding or actively hostile to it. Notable international advocates of aid—Harry Truman, Harold Wilson, Lester Pearson, Willi Brandt—were not cold warriors or apologists of international capitalism but strong partisans of the domestic welfare state and, usually, of a pro-peace, cooperative internationalism. In almost every developed democracy, political parties and politicians committed to strong domestic social programs tended to favor stronger aid spending and reducing the commercial element in aid. In the early sixties, Goldwater argued that aid should be cut and restricted to military aid to U.S. allies; Hubert Humphrey advocated that aid be in-

creased, for reasons of compassion and the promotion of a more stable world, and made this a centerpiece of his foreign policy program. Usually, when in power, pro-aid politicians actually improved aid in quality and quantity. Few politicians were as openly anti-aid as Goldwater, but those who cut aid, such as Reagan and Eisenhower, tended to be strongly anti-communist and hostile as well to the programs of the welfare state; they sought both to reduce aid and to subordinate it to narrow national interests. In the eighties, Mitterand, a socialist, within the first few days of taking office committed France to providing more aid, better focused on economic development, and he followed through. Margaret Thatcher disparaged aid as "handouts" in a way that drew sharp criticism from even her own party; she both cut aid and sought to make it serve British commercial interests more. Strongly conservative scholars, and particularly those committed to the sufficiency of market capitalism—Milton Friedman, Edward Banfield, P. T. Bauer—openly argued against aid, and in doing so explicitly compared it to the domestic welfare state; while renowned supporters—Gunnar Myrdal, Barbara Ward, Paul Hoffman—also compared foreign aid to helping the domestic poor, but by way of commending the practice. And advocates of aid invariably based their support of aid on strong humane and idealistic principles of some sort: socialist, religious, or simply humanitarian.

The same patterns of support for aid show up in systematic public opinion data, as chapter 5 also details. Publics, when asked, consistently said aid should go to needy countries that would use it well rather than being used to promote narrow national interests. In one poll of ten European countries, 75% favored giving aid to the neediest LDCs rather than those of strategic, political, or economic importance to their own country. People who favored aid tended to be people with exposure to the needs of the Third World and those who favored domestic programs of redistribution. Students, the young, the well-educated, people on the Left, and those with strong religious convictions tended to favor aid more than others did, while those with strong convictions of any sort tended to favor aid more than those who expressed no opinion on political or religious matters, as table 2.6, based on another multi-nation European poll, shows. Table 2.7 shows that those who had personally contributed to Third World causes, those who expressed negative sentiments about colonialism, those who wanted to reduce domestic inequality all tended to be strongly pro-aid. Those with strong national security concerns did not particularly favor aid. Most notably, however, in the ten-country study mentioned, the strongest predictor by far of support for aid was agreement with the statement "we have a moral duty to help" Third World countries; this item alone accounted for an astonishing 37% of the variance in support for aid.

TABLE 2.6
Percentages Favoring Increased Aid, by Church Attendance and Political Views

Self-Placement on a Left-Right Scale	Church Attendance		
	Regular	Rare	No Answer
Left	34	29	25
Right	25	17	13
No answer	22	18	9

Source: Data from table 5.3.

Note: These are 1983 survey data from ten European countries. A more complete explanation of the data is also found in table 5.3.

TABLE 2.7
Best Predictors of Public Support for Foreign Aid

Variable Number	Statement That Respondents Agreed or Disagreed With	Percentage Agreeing	Measures of Association with Support for Aid	
			Bivariate Correlation R^2	Multiple Regression Beta
121)	We have a moral duty to help poor nations	74	.61	.36
123)	It's in our own interest to help poor nations	70	.50	.21
155)	Aid needy states, not those useful to us	70	.38	.18
115)	These countries don't really want to work	26	.35	.15
157)	I've contributed myself to help the Third World	60	.28	.12
043)	Helping poor areas in our country is important	74	.28	.09

Estimated Equation

Support for Aid = $\text{Var}_{121} + \text{Var}_{123} + \text{Var}_{155} + \text{Var}_{112} + \text{Var}_{157} + \text{Var}_{43} + \text{Error Term}$
(Four-item index)

Source: Data from tables 5.1 and 5.4, which also give details of the construction of the four-item support-for-aid index.

Notes: Table 5.9 gives the exact wording of the questions.

Beta = standardized multiple regression coefficient. The overall explained variance of model as a whole: $R^2 = .51$. Model and each regressor is significant at a .01 level.

Also, those who were strong supporters of aid were far more likely to support aid which went to needy recipients. Most of those who favored using aid to promote national self-interest were at best indifferent about whether aid should be given at all. It is true that agreement that "aid is in our own interest" was also a strong predictor of support for aid, however, those who agreed with this statement tended to be largely those who agreed with the idea that aid was a moral duty, as is shown in table 2.8.

TABLE 2.8
Perception of National Interest by Degree of Perceived Moral Duty to Give Aid (Percentages)

Is Aid in Our Own Interest?	Is It Our Moral Duty to Give Foreign Aid?			
	Fully Agree	Agree to Some Extent	Disagree to Some Extent	Fully Disagree
Agree	87	78	42	29
Disagree	9	16	53	66

Source: Data from table 5.5.

Notes: Columns total less than 100% because some people offered no opinion. Total number of respondents: $N = 9718$. Table 5.9 gives the exact wording of the questions.

Moreover, those who saw aid as "in our own interest" were *less* likely than others to think aid should be used to promote trade or strategic interests; this is true even when one controls for the association with a sense of "moral duty to aid." The idea of "national interest" that aid supporters had in mind was one which reckoned national interest as including things that would promote the welfare of the people in the Third World, whether or not there were any direct national benefits to the donor country. That is, support for aid was based on a sense of global citizenship, a sense that defense of the human interest was inherently in the national interest.

The prehistory of foreign aid also suggests that the source of the thinking that led to aid came from the growth of labor and social democratic ideas, and from the development of a climate of humane internationalism, as chapter 6 documents. The rise of the welfare state throughout the century reflected the rise of organized labor and social-democratic parties, which were consciously internationalist from the start and which placed advocacy of the needs of poorer citizens on a basis of universal human rights. The development of the domestic welfare state drew also on the influence of private humanitarian movements to help the poor, and the increasing awareness of the problems and the need for structural solutions, which was fostered by social critics, reports on the conditions of the poor, and the churches particularly. The first systematic assessments of levels of nutrition worldwide began in the thirties, and people began to call for attention to economic needs worldwide. In the twenties and thirties the International Missionary Council began to call for more attention to the poverty of the less developed regions and advocated an international order that would hold to a high moral standard and better "reflect the mind of Christ." The International Labour Organization (ILO) gave economic needs of less developed countries special importance in its Philadelphia Declaration of 1944, which was incorporated in the ILO char-

ter. Programs of international relief following the First World War and continuing efforts by the League of Nations to deal with the needs of refugees and other international social problems were followed early in the Second World War by plans for reconstruction of Europe, through the UNRRA and a planned World Bank. The World Bank, however, was meant for purposes of both reconstruction and development, with the Latin American delegates to the 1944 Bretton Woods conference, which wrote its charter, insisting upon a greater focus upon the ongoing, development needs of poor countries. The idea of worldwide concern for economic needs was mooted repeatedly in liberal and humanitarian circles during the late thirties and forties, with the Carnegie Foundation, Eugene Staley, people from the Brookings Institution, Secretary of State Cordell Hull, Wendell Willkie, Harvard economist Alvin Hansen (writing for the National Council on Social Studies), and Vice President Henry Wallace increasingly thinking in terms of what one writer called a "World New Deal." Churches, labor groups, international organizations, charitable foundations, and academics concerned with questions of world poverty and peace first broached the ideas of assistance to less developed countries. These ideas found vague but influential expression in Roosevelt's articulation of the Four Freedoms, including freedom from want, as goals of the wartime effort, and in the subsequent endorsement of the goals of freedom from want as well as freedom from fear in the Atlantic Charter of war aims signed by Churchill and Roosevelt in August 1941 and endorsed by twenty-six countries in a "Declaration of the United Nations" the following New Year's Day.

The historical developments leading up to aid also included a growing internationalism, and one that included a commitment to ideas of self-determination and a repudiation of racial and colonial ideologies, and thus included a far less Eurocentric focus. The growth of international institutions, culminating in the foundation of the League of Nations in 1919, was accompanied by a rise in internationalist sentiments. The League devoted over half its budget to economic and social programs and laid the foundation for the later UN Economic and Social Council. At the same time, dissatisfaction with what the League did in these areas caused the major international agencies dealing with economic and social problems to form the Bruce Commission, whose influential 1939 report seems to have had its effects in the formation of the UN and its Economic and Social Council (ECOSOC), in particular. The decision to establish a United Nations organization whose scope included economic as well as security matters set in motion a process in which it was natural that the Latin American nations would press in the ECOSOC for consideration of their problems, even as attention was being given to European reconstruction. The Marshall Plan, which provided assistance to European

countries without expectation that the money would be paid back, clearly reflected both the perception that without the creation of an economically prosperous Europe chaos would ensue, and the compassion that Americans felt for the people living in a destroyed continent. By its wise focus not just on immediate needs but on long-term reconstruction as well, it became a model poorer countries could use in pressing for later concessional assistance.

Thus President Truman's initial call for aid to less developed countries in his January 1949 inaugural address reflected internationalism and humanitarianism extending across national boundaries, awareness of world poverty, and support for social welfare, which had been developing over the previous half century or more. As chapter 7 details, his suggestion for a "bold new program" of technical assistance to poorer countries, coming as it did into a situation in which the support for ideas of economic assistance was already latent, led to a groundswell of support for such programs among church groups, economists, advocates of internationalism, and labor groups. Programs of foreign aid expanded rapidly, with the British Labour government creating a Colombo Plan, the UN creating the Expanded Programme of Technical Assistance, and the World Bank moving almost exclusively to development lending in the year after Truman's speech. The adoption of aid programs by many of the European countries was consolidated by the reformulation of the Organization for European Economic Cooperation (OEEC) as the Organization for Economic Cooperation and Development, with a Development Assistance Committee (DAC) in which most of the developed countries reviewed their development programs regularly, and by the proclamation by the United Nations, at President Kennedy's suggestion, of the sixties as the Development Decade. The process of moving aid programs toward greater commitment of funds, less dependency of recipients on donors, more multilateral channeling of funds, and more concessional assistance, was pushed along both by the internal criticism of the DAC countries themselves—including the setting of (nonbinding) standards for foreign aid by the DAC, which appears to have had a great effect on most member countries—and by the pressure in international forums by the less developed countries that led to the creation of a UNDP and to the World Bank's soft-loan window.

The changes in the way in which aid was given during the sixties, seventies, and eighties, after aid was well established, also provide clear evidence that aid drew most of its support from humanitarian and egalitarian ideas, as chapter 8 demonstrates. Most countries consistently revised their aid in a variety of ways that made aid less useful to donors for any particularistic purposes of their own but more useful for purposes of economic development in donor states. Aid became far more multilateral,

TABLE 2.9
Degree of Tying of Aid: All DAC Countries (Percentages)

	<i>Untied</i>	<i>Fully Tied</i>
1950s and early 1960s (rough estimates only)	25	67
1972	35	35
1980	56	32
1988	57	31

Source: Data from table 8.8.

Notes: Figures for early years are very approximate, due to sketchy data. Figures for intervening years are roughly between those for years shown. Rows do not total 100% because some aid was partially tied; that is, while it did not have to be spent in the donor country, there were some restrictions on where it could be spent.

TABLE 2.10
Percentage of Grant, Grant Element, and Interest Rate in Bilateral Aid, 1962–1988

<i>Measure of Concessionality</i>	1962	1968	1979	1988
Percentage of grants	60	51	71	73
Grant element	—	58	76	89
Loan interest rate	3.6	2.9	2.6	2.7

Source: Data from table 8.10.

Notes: All figures in the table are percentages, but of different kinds. The percentage of bilateral aid is simply a percentage of aid given; the grant element is an imputed percentage. The interest rate is a rate of growth. The “grant element” is the percentage of aid given as grants plus the proportion of the low-interest loans which would be grants if each loan were decomposed as a pure grant plus a loan at commercial rates. Interest rates shown are the nominal interest rates. Because of high inflation and a steady nominal rate, real interest rates on ODA loans were falling, and frequently negative, from the late sixties through the middle eighties.

with the multilateral share of aid moving from 6% or less initially to 30% or more by the mid seventies, thus insulating the recipient countries from their influence, as table 2.4 shows. Aid became less tied to purchases in the donor country, as table 2.9 shows. While originally almost two thirds of aid was restricted to purchases in the donor country, by the eighties almost 60% was without purchasing conditions, and another 10% had only some conditions on it. Again, aid moved from being a mixture of loans and grants to being almost wholly concessional, as table 2.10 shows. Aid consistently became less concentrated, with donors giving aid to a wider variety of states and recipients becoming far less dependent on any one aid source. More aid was directed toward the poorest countries, and toward the poorer sectors within recipient countries. Aid to the poor-

TABLE 2.11
DAC Countries Classified by Percentage of Aid Given to Multilateral Organizations

<i>Donor's Contribution to Multilateral Organizations as Percentage of Its ODA</i>	1960–61	1970–71	1980–81	1988–89
over 30	4	5	10	12
20–29.9	4	7	7	4
10–19.9	3	5	1	2
under 10	2	0	0	0
DAC countries not included	5	1	1	0

Source: See sources for table 8.7.

Notes: Table entries are numbers of countries in each percentage range. In early years countries that later joined the DAC are not included; usually those countries had no aid programs in the earliest years.

TABLE 2.12
DAC Countries Classified by Grant Element in Aid over Time

<i>Grant Element (Percentage)</i>	1965–66	1970–71	1980–81	1988–89
95–100	4	5	10	11
85–94.9	4	5	5	4
60–84.9	4	6	2	2
Below 50	3	1	0	0
DAC countries not included	3	1	1	1

Central Tendency: Grant Element for all DAC Foreign Aid (Percentage)

DAC total	84.0	83.1	89.7	91.6
Median	83.6	86.0	96.6	98.7

Source: Derived from data in table 8.11.

Notes: Main table entries are numbers of countries in each percentage range. In early years countries that later joined the DAC are not included; usually those countries had no aid programs in the earliest years.

est countries was almost entirely pure grants not tied to purchases in the donor country.

The changes in the way aid was provided were not the result of changes in a few countries only. Despite the fact that at any one time there was a wide range of degrees of tying and of financial concessionality, there was steady movement by the entire DAC donor community in the direction of less tied, more concessional aid, as tables 2.11 and 2.12 show. The same is true of the rise in multilateral shares of aid, and of its poverty orienta-

TABLE 2.13
Net Disbursed Aid By LDC Income Level over Time (Percentages)

<i>Recipient Income Class</i>	1960-61	1970-71	1982-83	1986-87
Upper middle income countries	41.5	26.2	23.5	21.1
Lower middle income countries	11.8	17.4	17.3	16.3
Low income countries	46.5	56.2	59.3	62.5
Memo item: Least developed countries	6.5	10.2	24.6	28.2

Sources: Data from table 8.12.

Note: Column totals may differ from 100% due to rounding. "Least developed countries" is a subcategory of "low income countries."

tion, as chapter 8 documents in detail. Table 2.13 shows the strong aggregate movement toward directing aid to the poorest countries.

If aid had been given to secure economic advantages or political leverage, it would have been sensible for the donor countries to move aid in exactly the opposite directions. The way in which aid was revised by nearly all donor countries suggests that the humane values which motivated most domestic advocates of aid and which were accepted in principle in international forums of donor countries, such as the DAC, affected the actual spending of most donors, even though they were not a part of any binding agreements and the degree of adherence to them was not at a uniform level, but varied from donor to donor.

OTHER MOTIVES AND EXPLANATIONS FOR FOREIGN AID

There is no doubt that motives other than concern for the poverty of the recipient states entered into foreign aid. While most national aid agencies were staffed by professional economists and technical experts, and insulated from direct pressure from their countries' foreign offices, the decision of where aid went was influenced by political considerations. While an increasing portion of aid was untied to purchases in the donor country, a substantial portion of aid was tied, particularly in the early years of aid. Legislatures and business constituencies wanted some assurance that the money spent for aid was not spent solely to enrich foreign competitors. Up to half of U.S. bilateral aid (a third of all U.S. aid) was explicitly set aside as security supporting assistance, going to special allies of the United States—Vietnam, Israel, Egypt, El Salvador—and serving security purposes; U.S. aid also was denied to countries that allied themselves closely with the Soviets or seemed to constitute a threat in U.S. eyes. A substantial (though declining) portion of French official spending overseas was in the form of support to overseas territories and departments, and other French aid was closely directed to former colonies. Japanese aid

before the late seventies was probably directed mainly at targets of commercial interest. The question is how important these motives are in accounting for the existence of foreign aid.

The fact that other motives played a part in aid allocation is not in itself evidence that they were very important in causing aid to come into being. Once a major government program is decided upon, there are many compromises that are made with potentially opposed factions to secure passage, and many groups that attempt to cash in on the money to be spent. Adoption of a program is the creation of a "field of play," on which those who wanted the program must contend with others over the details of spending and administration. For instance, it is clear that U.S. military spending is influenced by the attempts of members of Congress to get or maintain contracts and bases in their districts, by the concerns of the branches of military service to expand their purviews and maintain weapons systems to which they are committed, and to some extent by the possibilities of military sales abroad or the demands of allies, apart from the fundamental constitutive reason that justifies military spending, the provision of defense and maintenance of order. The degree to which congressional influence determines where the aid budget will be spent is not necessarily a good indicator of the degree to which the military spending exists for pork-barrel as distinct from legitimate defense purposes.

There are clear examples in which political conditions as well as attempts to serve domestic constituencies piggybacked on aid. West Germany adopted a rider on foreign aid appropriations making countries which recognized East Germany ineligible for its aid. This Hallstein Doctrine remained in force until the two Germanies reached an accommodation during Brandt's chancellorship. But the rider seems to have been parasitic upon aid expenditures and not an important underlying motive, for German foreign aid did not decrease when the doctrine ceased to function. Chancellor Brandt's foreign policy placed an emphasis upon interdependence and the needs of the Third World as well as upon East-West accommodation; aid increased in the period after the Hallstein Doctrine lapsed. Similarly, Senator Hickenlooper passed an amendment that U.S. aid could not go to countries which expropriated U.S. firms. But Hickenlooper, a noted conservative, was no friend of aid; the amendment, though very hard to vote against, does not seem to explain U.S. aid, even apart from the fact that U.S. net aid represented an investment two to four times greater than all net investment in the Third World by U.S. multinationals.

Foreign aid was affected by motives other than a humane internationalism, but these other motives were insufficient to justify donors' becoming involved in the aid effort, and quite inadequate to explain their sustaining and augmenting their programs. The other motives also do little

to account for the variation among states or to explain the domestic politics of aid. While other motives inevitably entered in, only the humane internationalism that was, as a matter of fact, usually given as the motive also accounts adequately for the actual behavior of the donor states. This becomes clear if we examine other possible arguments one by one.

Interests of Individual Donor States

It is difficult to account for aid as attempts by individual donor states to secure advantages for themselves, for four reasons which emerge from patterns of aid spending, although undoubtedly donor commercial interests played a part. First, many of the donor states had few commercial interests in the Third World and were unable to secure any kind of international influence. These include the states that had the strongest aid programs as a percentage of national income. Second, a substantial portion of all OECD aid was channeled through multilateral organizations. It is hard to see how states could have hoped to gain advantages for themselves from the money that went there. Third, the associations of bilateral aid with trade are weak, and many of the states could not have hoped to obtain useful political influence from their aid. Fourth, aid was given in a way that makes perfect sense if the aim of the aid was to promote development, but no sense if the aim was to gain advantages for particular donor states. That is, aid was channeled increasingly to poor sectors, went increasingly to the poorest countries, was more and more in the form of pure grants, was less and less tied, and so on.

While the aid almost certainly provided some benefits within the donor countries, these benefits were insufficient to justify the aid expenses, and indeed, the countries whose aid may have provided them with the most internal rewards were those which were least committed to aid. But countries which increased the quantity of their aid also tended to increase aid quality, as France and Japan did in the eighties, while those countries which decreased their aid in the eighties, such as Britain and the United States, at the same time focused aid more narrowly on achieving trade and strategic objectives. These patterns are the more significant because they tally exactly with evidence about public opinion and about the parties and groups and politicians and scholars who supported and opposed aid. Just as countries which gave purer aid made more of an aid commitment, and countries which increased or decreased quality increased or decreased the quantity of aid provided, so those opposed to aid tended to favor tying what aid was given to donor interests, while strong supporters of aid favored aid less tied to donor self-interest as well as more abundant aid.

Collective Interests of Donor States

If the contribution aid made to individual donors' self-interests was insufficient to justify its costs, perhaps there were benefits to the Western countries as a group that were worth the costs the donors paid. Collective gains to OECD donors from their joint aid programs might have included resisting communist influence and extending capitalism to the Third World, or exerting discipline over LDCs, for instance with respect to their payment of debts. Multilateral aid, so hard to justify on the basis of each country's gains from its own contribution, could be understood in this way as a public good for which donors agreed among themselves to share the costs. But such explanations must grapple with well-known problems about collective action or the voluntary provision of public goods: if the benefits were joint while the decision making was by individual donors, each of which bore its own costs, each donor would have been tempted to free-ride, enjoying the benefits but not contributing, since the absence of its own contributions would not significantly alter the degree to which it benefited from the effects of aid. For on this view, the gains foreign aid secured were public ones, from which donors that did not contribute could not be excluded.

But there are ways in which international public goods might have been secured. Collective goods might have been provided by the United States as the largest state, because its immense size meant that the effect of its own aid on its gains from aid might have justified its investment. Or the United States as hegemon, and as leader of the free world and of the Western alliance, might have pressured other states to do their part. Or the donor states might, even without U.S. leadership, have struck some sort of bargain, or formed a regime, in which each participated because of a joint understanding to which each donor country adhered because of concern for its reputation and because its behavior in upholding the bargain could be monitored.

The Influence of the United States as Hegemon

It could be argued that aid served the strategic purposes of the United States, which used aid to support its overall aims in building an order favorable to it in two ways: by integrating Third World countries into the international capitalist system and by providing inducements for them not to develop close relationships with the Soviet Union. The United States during the fifties and sixties introduced the concept of "burden sharing," the idea that other allies needed to pick up more of the costs of the Western alliance and, in particular, of foreign aid. One could argue,

then, that the foreign aid participation of non-U.S. donors was a response to U.S. pressures that its dependent allies pick up the responsibilities for aid which secured the good of the alliance or other goals the United States saw as valuable: to secure world political stability, resistance to communist infiltration, or continuing trade and prosperity. This explanation faces several problems which make it an implausible explanation of the aid behavior of other OECD countries.

One problem is that aid from most donors steadily increased, as U.S. aid contributions steadily declined, and as the hegemonic leverage of the United States declined also. The United States did play a part in promoting aid policies in the other OECD states initially. The United States effected the reorganization of the OEEC as the OECD and the establishment of the DAC, and pressed the recuperated democratic market states to provide more foreign aid. But this does not explain why other countries continued "bearing the burden" as the United States continued to decrease its load, and as they became more independent in other ways. Still less does it explain the marked increases in aid as a percentage of GNP on the part of most of the other OECD nations in the seventies and eighties. If countries were influenced by U.S. pressure to give aid, their aid should have varied with the strength of U.S. influence and with the degree of U.S. commitment to the goal of providing foreign aid. But in fact, they varied inversely to U.S. strength and U.S. commitment to aid.

A further problem with this explanation is that the burden other countries shouldered was not exactly the one the United States wanted them to assume. European aid tended to favor countries perceived as egalitarian, such as Tanzania, which were also persistent critics of the international system. Some aid went to countries the United States reckoned as enemies, such as Vietnam or Cuba. Other aid, such as Australia's to Papua New Guinea, went to countries which, while not obnoxious to U.S. sensibilities, were not a U.S. priority. Another difficulty is that while donors sometimes spoke in terms of doing their part in promoting development, they rarely spoke in terms of satisfying U.S. demands or aiding in objectives of promoting world trade or resistance to communism, as is detailed in chapter 5. The actual policy discussion about support for aid in other DAC countries emphasized developmental objectives, and never U.S. leadership in strategic objectives. Also, if the collective goods were economic, it is hard to see why donors sought to extend capitalism in the system as a whole rather than simply concentrate on their own trade. Finally, explanation that donors sought the extension of capitalism faces the problem that aid went increasingly to countries which had little potential as trading partners, to the poorest states, rather than to countries which were economically important to the donors.

The Bipolar World and Competition with Communism

A concern for stemming the spread of communism was a central part of United States policy to the Third World. The postwar world was one dominated by bipolarity, and the cold war conflict between the United States and the Soviet Union. Do these factors explain foreign aid? Certainly, concern about communism played a role in U.S. aid policies. A process of strengthening countries against disorder, of improving their standard of living, and of demonstrating the advantages of a noncommunist, democratic, market-oriented way of life was a motivation that played an important part in U.S. foreign aid. It is entirely possible that neither the Marshall Plan nor the Point Four program could have been sold to the Congress without the imminent threat of communist takeovers. A strategy of strengthening noncommunist countries formed part of the idea of containment that Kennan outlined in his early policy statements; and the idea of resisting subversion and reversing anti-Americanism in Latin America probably played a role both in the reinforcing of aid in the last years of the Eisenhower administration and in Kennedy's emphasis upon the importance of foreign aid. The anticommunist motive also entered into the thinking of British and Australian and some other leaders in the early years, and seems to have had a mild influence on the selection of aid recipients by a number of donors. Yet while competition with communism played a role in getting aid off the ground, it does not explain OECD foreign aid, for many reasons.

First, within the OECD itself, the goal of using aid to contain communism was extremely controversial. Some DAC members, like Sweden and Switzerland, had long traditions of neutrality; others, like Austria and Finland, were so situated as to make neutrality essential; yet others, like Germany and England, while involved in formal alliances to block Soviet expansion, renounced the idea of using aid in that way. Concern about the spread of communism was mainly an American fear; there is little evidence that this motivated European or Japanese programs of foreign aid. Indeed, several strong OECD donors (notably Sweden), feeling aid should go to egalitarian regimes, have favored not only socialist regimes, such as Tanzania, or Marxist regimes, such as Allende's Chile, but actual communist allies, such as Cuba and North Vietnam, as well, in their aid policies.

Arguments from bipolarity also fail to explain the differences between the West and the communist countries in providing aid. If aid was an effective means of international political influence in a crucial global struggle, why did the Soviet bloc not employ it in a similar way to the OECD? Soviet aid was very limited, despite initial more lavish offers.

Russian and Iron Curtain aid was much smaller in size than OECD aid, and for the most part went only to closely allied states: Afghanistan, Cuba, Vietnam. Virtually none was multilaterally channeled, through UN organizations and the like. Only a quite small fraction went to India and a few other nonallied states. If aid chiefly constituted a newly effective means of political influence for superpowers, blocs, or individual nations, it would be surprising to find groups of competing nations behaving so differently. This is shown when Soviet aid is examined in detail in chapter 4.

Bipolarity and cold war arguments also do very badly at predicting which OECD donors supported aid strongly and who advocated aid within the states' domestic politics. The most staunchly anticommunist country, the United States, has been relatively slack in its support for aid. Many donors which supported aid most strongly tended to be favorable to leftist regimes in the Third World. Those countries which have maintained a strong aid commitment have not eliminated or reduced aid now that there are no fears of communist expansion, and are not expected to. While American commitment to aid declined, support in Europe rose, especially in countries least sympathetic to the cold war. A look at support for aid within countries shows why. Those individuals and groups most concerned about the spread of communism were, in general, those least favorable toward aid both in the United States and elsewhere. Individuals, groups, parties, and statesmen more on the left tended to be particularly strong supporters of foreign aid; and in Europe, communists and those on the far left were particularly strong supporters. Even in the United States, the original impetus came from New Dealers and people committed to broad internationalism; aid was consistently advocated by liberal Democrats and opposed particularly by the right wing of the Republican party. Public opinion data from country after country also show that strong aid supporters did not want aid used to further strategic interests.

Introduction of an anticommunist motive may ultimately have weakened support for aid by undermining the real, humanitarian bases of support, as Gunnar Myrdal had argued all along; it was impossible to secure active support for aid from anticommunists and conservatives, and compromising the character of aid eroded the support of humanitarian advocates who were its only consistent champions. Initial attempts to gain support for aid as prophylactic against communist influence also undercut later U.S. support for aid because this rationale appeared more and more implausible. During the seventies and eighties it became clear that nominally Marxist Third World states, such as Angola, were not necessarily menacing to Western interests and also that providing aid did not necessarily reduce the chances of radical revolutions. While U.S. aid con-

tinues to weaken due to lack of domestic support, most OECD countries have increased their aid. Support for aid seems to have fared better when not linked to anticommunism, perhaps because it was not eroded when accumulated experience undermined antiradical rationales for aid. And there is little reason to suppose that European or Japanese aid, which held constant or increased over the last decade, will fade away in the nineties now that any threat of communism as a worldwide force is effectively removed. If foreign aid was driven by concern about communism, it should have declined as the threat of communism in the Third World declined and the prospects it would be useful in counteracting communism dimmed. It did just the opposite.

In sum, the cold war and bipolar rivalry of the United States and the Soviet Union do not explain aid. Competition with communism played a role in sustaining U.S. interest in aid and in U.S. attempts to interest other developed democracies in "sharing" the aid "burden," although even there it can be argued that concern with communism was simply used by people with genuine concerns about Third World poverty to generate support for aid policies and placate critics. But it cannot account for the aid of any of the other donors, nor for the bases of support for aid, even in the United States. It mispredicts where aid was allocated, and cannot explain which donors were strong in their support, either. In fact, on each count the evidence suggests that opposition to communism hindered aid as much as it helped, apart from the important transitional role it played in the United States.

Collective Economic Interests of the Donors

OECD countries might have agreed to further their collective interests even without U.S. leadership in the aid area, or after that leadership waned. Krasner and others¹⁷ discuss how regimes can lead even self-interested states to cooperate, particularly where a dominant power helps set up regimes. Keohane¹⁸ elaborates conditions under which public goods can be provided and other forms of cooperation can occur, internationally, through mutually beneficial bargains among parties with common interests, even in the absence of hegemonic power, or especially after its decline. Axelrod and Keohane,¹⁹ and other contributors to Oye's²⁰ edited volume *Cooperation under Anarchy* provide further elaboration of this line of discussion. The possibility of constructing regimes and other pareto-improving bargains as a way of overcoming free-rider problems in the provision of public goods helps in understanding a variety of important international economic arrangements—the GATT, the IMF, and cartels like OPEC—as well as some collective security arrangements. Cooperation among the donors, in the limited sense of such pareto-improving

deals, might support collective interests of the cooperating, or colluding, parties, without having in view any broader values or humane aims, as Keohane²¹ rightly emphasizes. Thus it would have been possible to set foreign aid up as a joint arrangement in which all developed countries chipped in to support collective interests in promoting trade with LDCs, without regard to the effects on the LDCs.

But the conditions for this kind of bargain were in fact missing in the case of aid. Where what is involved in maintenance of a public good is a well-defined action—refraining from certain behavior or contributing at a known and fixed level—states can create a regime or collective agreement for mutual benefit. In such circumstances, a regime reduces costs of bargaining over individual levels of participation, and monitoring prevents cheating. But no aid bargains were struck and there was no accepted standard as to what countries' overall aid contributions should be, although contributions to replenish IDA capital were worked out in periodic negotiations. The DAC proposed various targets and goals, but these operated as guidelines, not as definite commitments on the part of the donor countries, and compliance varied by such large amounts that countries were really free from constraints. Different donors' levels of aid varied widely, ranging in a given year from .2% to 1.1% of GNP. The percentage of multilateral aid and tied aid varied widely. There was also broad variation in the extent to which aid was directed to poorer nations. Such disparate levels of participation made it possible for a country to ride free on the rest of the OECD. Aid was monitored and targets were set, but no country could be said to be in violation of a specific agreement. This makes it hard to see why a country would feel strongly compelled to raise its aid contribution, since no matter the contribution, it would not suffer from a reputation of failing to honor its commitments.

The rates at which particular countries participated in aid also make the free-rider objections to this hypothesis the more formidable. For the country, generally, that has the largest stake in the maintenance of such a regime is the large power; it is unique in being able to break the regime single-handedly, or feel the effects of its own contributions redound to itself. But the United States, while it initially pushed foreign aid and participated vigorously, has, as we noted, been the laggard since. It is even harder to see why countries like Norway and the Netherlands, whose aid was well above the DAC targets, continued to raise levels of aid funding. Again, since aid totals were essentially unaffected by the presence of the smallest participants, and aid was a well-established practice that showed no signs of going away by the midsixties, it is hard to see how securing collective goods could have motivated new countries to join the DAC and start aid programs, as New Zealand, Finland, and Ireland did.

Further difficulties appear in considering what specific collective gains a consortium of OECD nations might have sought, other than seeking the humane goals of promoting economic development and alleviating poverty. Had the aim been to extend OECD prosperity through promoting capitalist economies, trade, and foreign investment, why would states not bound by a mutual agreement have done this to advance common interests rather than simply furthering their own trade and investments by means of foreign aid? Yet states provided growing shares of their aid to multilateral institutions. Also, if the collective interest was in extending trade and capitalism, it made poor sense to invest in poor countries without major economic value. India, which receives far the greatest flow of aid, and from many sources, increased exports to the OECD slightly more than fourfold from 1965 to 1980 and imports from the OECD slightly less than fourfold to half a billion dollars per month. Third World countries as a whole have increased both nearly tenfold, to \$20 billion a month. Brazil's growth of trade has kept par with the Third World average; Mexico's and Hong Kong's have exceeded it considerably; Korea's and Singapore's trade show nearly a hundredfold increase. Yet Brazil and Mexico combined get only half of the aid that India does, even though Brazil does over twice, Mexico three times, the trade with the West that India does. Hong Kong and Singapore receive a percent or two of India's total in aid, though they each import from and export to the OECD substantially more than does India, a populous and needy country.

The problems in the collective economic interest hypothesis become worse when we look specifically at the distribution of multilaterally channeled aid. Multilateral aid has been focused more narrowly than bilateral on least developed countries, which engage in far less OECD trade and have less potential for it than middle-income or industrializing LDCs. This has been the result of a deliberate policy, which has tightened that focus over the years. Furthermore, the focus has been sharper in the largely OECD-controlled World Bank group than in the largely LDC-controlled UN development programs. Donor funding has, it is true, yielded to Third World insistence in giving increased funding over to the recipient-dominated UNDP and remains relatively steady in funding the donor-dominated World Bank Group. But as UNDP funding increased, Bank Group funding held fairly steady, and in any case, the increased DAC funding for recipient-controlled multilateral institutions is even harder to reconcile with an argument from DAC collective self-interest.

The argument that aid furthered collective interests is hard to reconcile with the distribution of aid to recipients, the policies of multilateral institutions not designed to further OECD goals, or the variations of support among donors. And it is particularly hard to see how the incentives that

sustain regimes based on mutually advantageous bargains among the contributors could have sustained aid. The variable levels of funding, the existence of customary behavior that did not depend on each donor's fulfilling a customary level of compliance, and the absence of reputational considerations that would affect a donor's power or trustworthiness, all make the ordinary sort of collective-interests argument hard to sustain.

Unspecified Influence, Prestige, and Other Arguments

Occasionally other miscellaneous arguments are suggested as a basis for aid programs. The sudden widespread appearance of aid may be attributed to bureaucratic interests, to the diffusion of the idea of aid, or to a "competition for influence" factor that would leave nonparticipants disgraced. The participation of small donors especially may be said to be due to the fact that they have no other role to play internationally or that they seek "prestige."

These arguments share two main defects, which are related. While they offer mechanisms—diffusion or bureaucratic interest, for instance—by which aid policies may have been advanced, they do not provide autonomous driving forces that would set these in motion. Bureaucracies may seek to enhance their power, but they need reasons for doing so that will appeal to an audience larger than themselves. Ideas do diffuse, but only when their implementation is perceived, for other reasons, as being desirable. This applies, too, to retention of colonial or mandate relationships: there must be a reason why should they be retained. Similarly, to the extent these categories offer even vague impulses that might affect various sizes of nations—prestige, keeping international or regional presence, "keeping up with the Joneses" or "playing a role"—they do not indicate why nations suddenly choose to do this by giving away money rather than by more traditional, and plausible, means such as developing small high-tech or other industrial sectors, a more powerful army or shipping industry, or even some cultural or scientific distinction. Still less do they give a clue as to why all the rich industrial democracies chose to enhance prestige, to copy and then surpass the hegemon's behavior, to seek "a role" or "presence" internationally, or to indulge their bureaucracies in just the same way. It includes any conceivable behavior, and therefore does not distinguish certain kinds of causes from others.

It might be said that if politicians sought to promote Third World development as an end in itself, they did so because they sought re-election. Or, that if publics sought this goal, they did so because they wanted to have national prestige. Or that they wanted to feel that they were doing the right thing. And these are counted as national interests. To treat these things as self-interested makes a hash of any analytic attempt to discuss

international relations, because it confounds tangible benefits a nation may hope to reap with the process by which decisions are made. I will treat these three cases in reverse order, and then enunciate the general principle.

When a country undertakes a course of action because it thinks that is the moral thing to do—because others will benefit, or because duty requires it for other reasons—rather than because it thinks the country itself will benefit, this should not be referred to as acting in the national interest. For to do so makes "national interest" an analytically useless concept, since any purposive behavior that is approved falls under it. Such a usage fails to distinguish pursuit of military strength, diplomatic position, economic gain, and the like from pursuit of the welfare of other states, or principles of justice. In claiming that a nation undertakes *certain* actions from the pursuit of national strength and wealth, or even undertakes *all* actions from those motives, it is necessary to admit a conceptual category of actions that are *not* undertaken for these goals if the claim is to be more than a tautology.

A similar problem attends the use of a concept of "prestige." If by the pursuit of "prestige" we mean that a country is seeking a reputation for a particular thing—military might, or unwillingness to give in on certain matters, or the like—and that this reputation may later be convertible to concrete material advantages of the same kind that wealth or military might confer, then it is clearly a (sophisticated) form of pursuit of national interest. However, the "prestige" sought ordinarily proclaims, in this case, the factor of power or interest that it is associated with. Thus a reputation for effective military operations—one kind of "prestige"—draws its desirability from the desirable aspects of possessing military capabilities. A reputation for making fine electronic products or machine tools draws its desirability from the desirability of being an economic leader. If a nation seeks to undertake an activity for a means of international prestige, that says something about what that nation wants to be seen as: what sort of an actor it is in the international system, and what sort of actor it wants to be seen as, is proclaimed *not* by the fact that it seeks prestige or reputation but by *what* it seeks reputation *as*. Thus to say that Sweden, for instance, "sought prestige" as a generous donor of foreign aid is to raise the question of *why* it wanted to be seen as that sort of an actor. *If* what the international system favors is power, and if nations seeking to advance their interests seek those capacities that give them wealth and power, then to seek "prestige" as a donor is not to seek to advance national interest.

Finally, to say that politicians sought to promote aid because publics wanted it is to distract attention from the question of what sorts of policies promoted strictly national interest and to turn instead to the question

of how exactly policies (leaning one way or the other) were selected. In fact, it is probable from the evidence that in most cases publics were less interested in policies of foreign aid than politicians and other elites were. But whether or not this was true, and if so whether or not the politicians were more internationally minded, or more gullible than publics, is not required in our inquiry here. The question of how nations came to adopt and to reform foreign aid policies depends on the goal of the policies, not on whether the policymakers were the originators of the goals or simply the transmission belt of the public's desires.

FOREIGN AID AND MORAL INFLUENCE IN INTERNATIONAL POLITICS

The first chapter argued that the character of international politics is not wholly determined in advance by an unvarying human nature or international system but reflects moral choices which become embodied in the regular patterns of international affairs. Human beings are capable of selfish and self-interested behavior, of generous and just deeds, and of pointless follies, animosities, and self-destructiveness, in personal life and in domestic and international politics. Calculations of national advantage based on pressures of survival or satisfaction of interests do not determine how states act, in part because states are not tightly constrained but can choose many different objectives, and in part because rational consideration of how to attain objectives is not a technical process of calculation or optimization, especially in new, large-scale, unreplicable, long-term situations. How one conceives of the future and what will work out well is closely bound up with one's interpretation of the world and one's value perspective. Thus, the contestation between different approaches to international politics is a contestation between different understandings, different moral perspectives, about international politics. Actors' rationality in international politics is not some process of calculation from facts of known weights, at which mathematicians are best, or in which statesmen's political and philosophic views are irrelevant, as Morgenthau claimed: rationality is not simply a chesslike power calculus. Being rational requires political and moral insight, vision and practice. The direction that careful, thoughtful, wise, rational policies take reflects both their goals and their assumptions about what the world is like, and about the values to trust in.

Individual national policies and the international system reflect moral choices, good and bad, which are bound up with differing outlooks and interpretations of what international politics is about. For international politics is not some realm apart, wholly governed by its own laws and, in particular, by considerations of power and of objective national interests.

States have latitude in what to trust in, what to value, whether to seek to act with justice and mercy: no one strategy is the one that obviously works best in a complex long run; there is no theorem that pragmatic cynics do better than pragmatic idealists. Such differing wisdoms and values are not the product of lone individuals or lone states' calculations: they are social products that draw upon and interpret existing practice. Thus I argued that (1) a country's international politics will systematically be linked to the values and assumptions and practices of its domestic politics, (2) a country's international politics will reflect the world society in which it finds itself, and (3) the practices of international politics are not simply devices to be taken up or abandoned as technical instruments to national ends but are meaningful actions whose logic, once the practices are adopted, influences and modifies states' goals and vision.

The idea that rationality in international politics must be understood in terms of moral choice²² and not simply in terms of some hypothesized pure calculation of advantage thus leads to specific lines of investigation which can be researched empirically in a wide variety of areas: types of economic structure, policies on race and colonialism, attitudes toward domination and freedom, and so on. These ideas are followed out specifically in this book in the issue area of foreign aid, where one can trace these three general hypotheses at work: domestic values influence the values states adopt in international politics; states base their international policies on their perception of international society and how it defines respectable and appropriate conduct; and international practices once adopted influence ideas of acceptably just conduct and thus lead to progressive refinement of practices in accord with their moral meaning. The next three subsections of this chapter specifically trace how we see these processes at work.

Domestic Political and Individual Moral Influences

The evidence that countries provided aid out of humanitarian concern and not out of a desire to obtain specific advantages is quite strong, and it reveals the links between views about international relations and moral reasoning in everyday life and in domestic political matters.

Countries with high levels of public support for foreign aid tended to give more aid and to raise the level and quality of aid spending and keep it high. When one looks at public support, it appears that the general public was influenced primarily by moral considerations. Lindholm notes that only 18% of Swedes who strongly agreed that "securing a good living" was life's most important goal favored raising aid spending, while 53% of those who strongly disagreed favored raising aid.²³ In ten European countries, those who had themselves contributed to assistance to the

Third World were more likely to favor aid. Seventy-five percent of the general public in these ten countries felt aid should be given to the countries that needed it most rather than to suppliers of raw materials, potential importers of their own country's goods, or countries of strategic importance. The 25% who did not favor directing aid to the poorest countries were much less favorable toward giving aid. Other polls from the United States and Britain suggest the same, though the questions were less focused. Those with strong convictions tended to favor aid more, and those who attended church regularly or were on the left, particularly, as well as current students, the well educated, and those who favored domestic redistribution and help for the poor, tended to favor aid. The single best predictor of support for aid, which accounts for almost 40% of the variance by itself, was inquiring whether "we have a moral duty to help" Third World countries. Reasons for opposition to aid were interesting, too: all centered on waste, the idea that recipients were lazy, or concerns about the effectiveness of aid; no one seemed to be concerned that aid, though effective in reducing poverty of those in need, would not gain any concrete advantages.

If these were the feelings of the general public, it is not clear why public officeholders should be motivated to support strategic aid instead. Those who hold the reins of government are, of course, in a sense less insulated from the pressure of daily events than is the general public, and more apt to want to tailor policies to the exigencies of the present moment; lawmakers are more apt to be pressured by particularistic national interests. Probably aid was often bent a bit to serve pressing needs of the economy or of foreign affairs (especially in larger states with a worldwide foreign policy). In the United States, where congressional support for aid was difficult to obtain, there is no doubt that anticommunist and other foreign policy rationales were mixed in to gain support for aid. However, in terms of the overall purposes of aid, politicians and other officials were drawn from the general population and favored similar goals, and also had to satisfy the public with their policies. In fact, evidence from almost every aid-giving democracy indicates that those politicians who favored higher aid levels were also supporters of aid more geared to the needs of recipient countries and tended to be those on the left, those associated with strong moral causes, and those concerned about domestic poverty. All the internal evidence suggests support for aid stemmed from the same sources as attempts to provide for the poor at home.

Direct evidence about aid spending indicates that what countries did with their aid was done primarily to promote recipient economic development, and that the interest in recipient development was based on domestic political values, too. Those countries with strong aid spending were those with strong domestic social programs, and those whose citizens had

in fact individually contributed to private charities concerned with the Third World. Countries with high volumes of aid as a percentage of GNP tended to have programs that were high quality in the sense of being highly multilateral, directed more toward the poorest countries and the poorest sectors in countries, being free from tying, and being at highly concessional terms. Generally speaking, when a given country increased its aid, it improved quality also, as Japan did in the seventies; when countries decreased their aid, they tended to cut quality also.

The way in which aid first came about also suggests the same humane motivations. The earliest precursor programs were found in private voluntary efforts at overseas relief: church efforts, the Red Cross, refugee aid, and Belgian Relief efforts. The programs which led up to aid—colonial development programs, technical assistance to Latin America, the World Bank, the Marshall Plan, the UN—were the work of liberals like Bevin, Keynes, Marshall, Rockefeller, and White and were opposed by those who, like Robert A. Taft, later opposed aid. Early advocates of programs for world economic planning tended to be those concerned with domestic poverty and humanitarian causes as well.

The Influence of International Society

The process leading up to aid also reflected a growth of internationalism. Advocates of programs of international assistance thought of rational social organization and of building a better world in terms of constructing a positive international order as well as in terms of the welfare and needs of people overseas. Throughout the twentieth century advocates of assistance to those in need have made the arguments that (in the words of the Philadelphia Declaration of the ILO in 1944) "poverty anywhere constitutes a danger to prosperity everywhere" and that freedom from want and freedom from fear are linked goals as Churchill and Roosevelt presented them in the Atlantic Charter.

This sense of the interconnectedness of peace and justice and prosperity appears to have been not a calculation of benefits so much as the expansion of national and personal identity. Those who favored foreign aid were likely to feel that giving aid "is in our interests," but those who felt aid was "in our interests" were more likely than others to repudiate giving aid to countries of strategic or economic importance and to favor giving aid to needy countries instead, as public opinion data show. Like soldiers who say, "We all gain through each of us having the courage to fight for what is right," what is involved here is not individual "interests" in the delimited social science sense that analyzes how a "public good" can suffer in a free-rider problem but a sense of the common good with which people identify. Citizens of small countries who favored foreign aid

as "in our interests" but eschewed seeking any specific interest were saying that as they were willing to pay taxes for national goals, as part of the nation, so they were willing to have their country contribute to the building of a better world, of which they felt they were a part. Commitment to the construction of a better international order rested upon building a sense of communality, of common fate and interest, with others around the world.

The establishment of an international forum in the United Nations, what Senator Arthur Vandenberg called the "town meeting of tomorrow's world," necessarily led to the concerns of the less developed nations being brought forth to public attention and concern in a new way. The years prior to the announcement of Truman's Point Four plan, the first foreign aid in the modern sense, are full of the Latin American and other less developed countries pressing in the UN's Economic and Social Council for substantial programs of development assistance. The new awareness of the existence and needs of the underdeveloped countries awakened in many people in developed countries a desire to do something; in the context of a world in which the developed countries had already decided that peace and prosperity were linked to the recognition of the needs and rights of all countries, the demands presented were ones to which the developed countries' leaders, even when they did not like the demands, felt a need to respond.

Also, as aid became established as a practice, it became a mark of proper participation in the responsibilities of the developed countries. Ireland sought both to define itself in its own estimation and to establish itself as a developed country by committing itself to have an exemplary aid program and, finally, by joining the DAC. New Zealand and Finland similarly, in joining the DAC at a time when no one was pressing for it, moved toward establishing themselves as full members of the society of developed nations. Japan responded to criticism of its international role, in part, by changing its aid policies, which had been exceptionally laggardly throughout the seventies, not only markedly increasing the volume of aid but also increasing the multilaterally channeled share of aid, reducing aid tying, and moving away, to some extent at least, from an earlier commercial orientation to aid. More generally, the aid-giving countries submitted themselves to mutual criticism in their aid policies by joining the DAC, which set standards from time to time which seem to have influenced most of its members to move toward targets for improving and increasing aid. This also led some countries, such as the Dutch and the Swedes, to consciously see their role in the aid process as one of seeking to set higher standards, to reform and correct the aid process by example.

It may be objected that Japan sought to improve its foreign aid to look good to other countries, that Sweden was concerned with being perceived as a leader in virtue, that Ireland wanted to be like other developed coun-

tries, and Finland like other Scandinavian states. Perhaps so, yet even if this was the case, it suggests both the power of international society and the power of moral concerns to influence it.

Realists argue that the character of international politics makes it different from daily life or domestic politics: in the former, perhaps, generous motives may come into play, but in the latter the pressure of political forces requires each state to act in a *realpolitik* manner. There are really two arguments here: that the philosophy, or sympathies, of the statesman (and by extension, the nation) cannot enter in to international politics; and that the pressures of international life force countries to behave selfishly. Both arguments are wrong, although no one would deny the pervasive power of international pressure or a state's need to look after its own interests. Not only do domestic concerns about international poverty and desires to make a stabler world affect foreign policy; international concern about these matters does also. States are concerned about whether they are doing well or poorly by international standards, and there is an attempt to act virtuously in a general way, and not only to fulfill definite, agreed-on obligations clearly monitored. Where that results in states acting more public-spiritedly or compassionately than they would if left to their own devices, international society is shown to have power to improve state conduct. International pressures operate not just to make states more self-centered and *realpolitik* but also to exert a beneficial power of public opinion. If public opinion has power in this way, international society is more like domestic society than most theorists acknowledge.

It should be pointed out that if countries are swayed to do what is right by the pressure of international opinion, this shows the power of moral concerns in international politics. That power, like the impetus to seek military prestige, or revenge, or economic dominance, is not something that operates simply at the level of individual motivations: it has a systemic element, which is made manifest in states' copying or conforming to behavior deemed virtuous. Such conformity often reflects strong domestic pressures for more public-spirited international policy, too: domestic advocates seize on international opinion and standing to press their case. But even apart from domestic advocacy, even if the conformity was only for the sake of looking good in the eyes of other countries, it would show the power of moral ideals. La Rochefoucauld states that "hypocrisy is the tribute that vice pays to virtue." But where hypocrisy consists not of pretending to do one thing and doing another, but of actually doing something costly and right but doing it out of a desire for approbation, the acknowledged standards show their power nevertheless. Where the tribute paid is not dissimulation but externally virtuous action perhaps without conviction, virtue has nevertheless showed its power to levy tribute. This is precisely power such as Realism, and all rational action

theories that limit effective state motives to improving the situation of the state itself, must deny that moral principle has. Moral principle, like self-aggrandizement, has effects in international politics both because people are naturally drawn to it and because of environmental pressures on the state.

Ongoing Change as the Development of Meaningful International Practices

The history of foreign aid also clearly supports the hypothesis that international practices once put in place develop according to their own inner logic. The features of foreign aid that set it apart from anything before it—its ongoing and reliable scale; its open, public, and multilateral character; its concessionality; and its focus upon economic development in poor countries—all bore witness from the beginning of the aid process to an underlying concept of international solidarity between people and between countries, which centered on alleviating poverty and raising standards of living. The aim was to create a world in which all could pursue basic goals cooperatively with reasonable prospects of success. The same elements characterize the welfare-state internationalist thinking in the early twentieth century, in which one can see an elaboration of ideas and programs that finally led to aid in 1949. And the defining characteristics of aid were ones which, after its inception, showed steady, ongoing, norm-governed change.

As chapter 6 shows, there was a steady growth of welfare state measures, labor movements, and social-democratic parties through the century. The role of the ILO and the positions of labor parties and socialist writers before the start of aid all show a strong internationalism which, by the forties, increasingly included a concern for the poverty in underdeveloped countries. A series of international relief efforts of successively broader scope—the Red Cross, Belgian Relief, the UNRRA, the World Bank, the Marshall Plan—and the institutionalization of international concern with economic matters in universal membership organizations, culminating with the UN Economic and Social Council, also show steady growth in international concern for economic problems of foreign countries. There was growth of domestic humanitarian movements and, later, of associated international charitable undertakings, including increasing involvement in economic as well as health problems overseas by missionary organizations. Such humanitarian concern often combined addressing concrete and immediate problems with advocacy of more permanent structural solutions.

Upon the introduction of aid, there was an immediate upsurge in interest in the problems of the developed countries. Popular books full of enthusiasm about the new challenge of aid to poor countries appeared.

Economists took up development as a major interest in the discipline. Organizations were formed to deal with world hunger. More importantly, governments adopted aid programs which, over time, were steadily modified to make them more focused on recipient poverty, as chapters 7 and 8 will show. Aid as a percentage of GNP rose toward proposed targets of .7% or 1% of GNP. The share of multilateral aid rose, and more multilateral aid, as time went on, went through organizations like UNDP, which were primarily subject to Third World, not to developed country, control. Aid tying decreased, especially among those countries which acknowledged a need to cut tying. The concessional element of aid grew, finally approaching 100%. A conscious and successful effort was made to direct larger percentages of aid to poorer states and, above all, to the least developed countries; efforts were also made to see that aid reached the poorest people in countries that were assisted.

CONCLUSION

Foreign aid was the largest financial flow to the Third World consistently through the postwar period, and was greater than all other flows combined, except in the period roughly from 1973 to 1985. The sudden appearance of aid from nearly a score of developed democracies in the fifties, and their steady commitment to aid since, cannot be explained by the individual or collective economic and political interests of the donor states, though those interests did sometimes influence aid. Evidence about aid spending, about which countries had the strongest aid programs, about public support for aid, about the origins of aid, and about ongoing changes in aid suggests instead that the real bases of support lay in humanitarian and egalitarian concern in the donor countries. Such concern was usually combined with an internationalism which held that the only secure basis for world peace and prosperity in the long run lay in providing all states with a chance to make progress toward a better life; but this kind of internationalism tended to be held only by those who were committed to the welfare of poor countries for other reasons, and was generally opposed to the use of aid to support narrow national interests.

As just discussed, the practice of foreign aid from 1949 to the present also accords with the more general arguments developed in chapter 1 about the ways in which moral factors can influence international politics. There was regular influence of domestic concerns with poverty upon international aid efforts. A sense of world citizenship led individuals to support assistance to the Third World, and perceptions of international society led developed country governments to pay attention to international norms and standards, to the kind of identity they wanted to develop, to the opinion of other developed states, and to the complaints of Third World countries.