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## The Politics of US Foreign Aid

No comprehensive study of US foreign assistance today and of its probable future can leave out an examination of the politics of foreign aid—the process by which key policy and allocative decisions are made and the influence on those decisions of the Executive Branch bureaucracy, Congress, private groups, foreign governments and international organizations, and public opinion. The purpose of this chapter is to provide that essential political dimension.

Because foreign aid involves the expenditure of sizeable amounts of public resources, policymaking and politics typically occur within the budget and congressional appropriations processes. It is there we shall look to understand the politics of US foreign aid. The budgetary process, involving both the Executive Branch and Congress, has changed little during the past decade. But the political environment has shifted over that time, with the end of the Cold War and pressures to reduce discretionary spending to shrink the budget deficit. The role of various actors in the process also shifted during the 1990s, with Congress and private groups exerting increasing influence over foreign aid programs—except for funding for peacemaking. An examination of the process and the actors in it will elaborate on these observations.

### The Budgetary Process and Foreign Aid

Foreign aid policies are often announced by the Executive Branch—for example, on the occasion of a new administration taking office or in response to fundamental changes in the world. But whether those policies

**Table 3.1 The budgetary process for foreign aid: USAID**

Jan. 2000	March-Sept. 2000	Sept.-Dec. 2000	Feb. 2001	March-Oct. 2001	Oct. 2001
Instructions to field missions to prepare budgets for FY 2002	Budgetary decisions within USAID/informal negotiations with State Department	Budgetary decisions by OMB and president	Transmission of budget to Congress	Congressional action on budget and appropriations bills	Beginning of FY 2002

*Note:* OMB = Office of Management and Budget; FY = fiscal year.

are implemented or not is decided primarily in the annual budgetary process, which involves both the Executive Branch and Congress and includes not only proposed overall budget levels but aid allocations by country and purpose.

The budgetary process for foreign aid is a long and complex one, commencing roughly a year and a half before the beginning of the fiscal year in which the budget is spent. Table 3.1 sets out the timeline for this process for USAID in fiscal year 2002.

This process can be even further prolonged when Congress fails to pass a foreign aid appropriations bill before the beginning of the fiscal year. Then there must be a continuing resolution until a final appropriations bill is passed. Under these circumstances, which are not uncommon, the entire budgetary process can take up to 2 years or even longer.

The process begins when foreign aid agencies undertake internal budget reviews (including, at times, informal negotiations with other interested agencies) to produce their budget proposals for the coming fiscal year. These proposals typically include not just the overall levels of aid but detailed information on the amounts intended for particular purposes—for example, family planning—and for particular regions and countries. (US contributions to multilateral development banks and international organizations do not have this degree of detail because the United States does not have control over the country allocation and use of those funds. The levels of these contributions are negotiated periodically with other member states of these organizations and then sent by the administration to Congress in its annual foreign aid budget requests.) Agencies send their budget proposals to the OMB for further review and decision by the president.

Following the president's decisions, there is almost always an appeal from the secretary of state for more bilateral aid. After a final decision (usually involving a small increase over his initial level), the president transmits his entire budget to Congress in February. As with the budgets

for many other federal programs, the overall aid budget proposed to Congress will typically have a small increase over the level of the previous year. (Administrations seldom ask for significantly increased aid levels—except to respond to a crisis or major opportunity abroad—realizing that such a request can generate political ridicule or a backlash in Congress. In recent years, the major increases in foreign aid have all come in supplemental requests.) The details of the allocation of aid by organization, and for bilateral aid by country and purpose, are also provided to Congress in a series of “Congressional Presentations” from each bilateral aid agency and by the federal departments responsible for US contributions to multilateral organizations.<sup>1</sup>

Upon receiving the proposed aid budget, Congress begins its deliberations. These first involve decisions by the budget committees on overall spending levels and decisions by the appropriations committees on “caps” (i.e., the maximum amount of appropriations permitted), allocated to each of 13 appropriation subcommittees. The subcommittees in the House of Representatives and Senate responsible for foreign aid are the foreign operations subcommittees.

In theory, a second step in this process would be action by the authorization committees in each house responsible for particular aid programs. These committees—the main ones being the House International Relations Committee and Senate Foreign Relations Committee for bilateral aid and the House and Senate finance committees for multilateral aid—are supposed periodically to reauthorize the expenditure of funds for each aid program by passing authorizing legislation that gives policy direction to the administration. In fact, no overall foreign aid authorization bill has passed Congress and been signed by the president since 1985. Successive Congresses have chosen to waive the requirement for authorization, in part because members typically wish to avoid unnecessary votes on foreign aid. But more important, it has proven extremely difficult to obtain a consensus within Congress on authorizing legislation for foreign aid and an agreement between Congress and the administration on the contents of that legislation. (One effort on the part of Congress to pass such legislation failed for want of administration support in 1991, and an attempt on the part of the administration to get Congress to pass new legislation in 1994 failed for want of support in Congress. An effort led by the Senate Foreign Relations Committee in

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1. These foreign aid programs are included in what is referred to in budget circles as the “150 Account,” from the number given to most foreign affairs spending. However, foreign aid provided by domestic US government agencies, including food aid provided by the Department of Agriculture, is not included in this account. Further, the public concessional funding spent abroad by domestic US government agencies is not examined as foreign aid nor included in foreign aid data. It is, in short, not part of foreign aid politics—at least not yet.

1996 to get a foreign aid authorization bill passed and signed by the president failed when he threatened to veto the legislation.)

The absence of reauthorizations has simplified the politics of foreign aid in Congress by eliminating the authorization process. But it has also shifted policymaking almost entirely to appropriations committees whose primary responsibility is to decide spending levels (and, often, to cut those levels) rather than to determine the policies for which the aid is to be spent. The absence of foreign aid policy debates that are supposed to take place within authorizing committees has also likely contributed to a Congress less informed about foreign aid and one in which creating the consensus needed to pass legislation with fundamental policy or organizational changes may have become more difficult and costly for a future administration wishing to make significant reforms in US aid.

### **The Appropriations Process**

The key process in Congress at present involving the size, allocation, and use of foreign aid is the appropriations process. An appropriations bill must be passed annually if aid agencies are to continue to operate or if US contributions to multilateral agencies are to be made. When Congress is unable to pass a foreign aid bill before the beginning of the fiscal year, it passes a continuing resolution, which usually sets funding at the level of the past year. A continuing resolution can last for days, weeks, or an entire fiscal year. At times, when it proves impossible (because of the press of time or for political reasons) to pass a freestanding foreign aid appropriations bill, these appropriations are included in an omnibus spending bill that covers numerous government programs. And because the foreign aid authorization process has virtually ceased to function in Congress, not only budgetary decisions but also policy decisions—affecting which countries receive US aid and how the aid is spent—have been taken over by appropriations committees.<sup>2</sup>

In making their decisions, the foreign operations subcommittees call hearings on the foreign aid budget, inviting not only administration witnesses but outside experts and advocates to testify. They then “mark up” draft legislation and vote the bill out of the subcommittee. (In recent years, the Senate has only marked up the bill in the full Appropriations Committee, skipping the subcommittee stage.) The bill is voted out of subcommittee and, after another markup, is voted out of the full appropriations committees. It is then debated, amended, and voted on by the full House of Representatives or Senate. The two houses then create a joint House-Senate conference committee to negotiate their differences,

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2. Not everything can be done through appropriations bills, however. A fundamental reorientation of the foreign aid program or a reorganization that would require legislation would still have to go through an authorization process.

and both houses then vote on the final bill once more. The completed bill then goes to the president for signature. After the president signs the bill, the administration must figure out how to implement it. (The bill usually has a lower level of aid than requested and numerous earmarks and directives on how and where the funds should be spent.) During the legislative process, extensive informal negotiations typically take place between members of Congress and their staffs and administration officials on what the administration's true priorities are and what it will accept in the bill. Negotiations are also held with important outside interest groups on their wishes and preferences.

In addition to the regular budgetary process, the Executive Branch may also send to Congress budget amendments and supplementals to ask for additional appropriations for unexpected contingencies. In recent years, when Congress was trying to reduce the budget deficit, all such additional requests for funds had to include offsets—reductions in expenditures elsewhere in the overall federal budget to ensure that total expenditures remained under planned ceilings. With the emergence of budget surpluses, pressure to find offsetting reductions elsewhere in the budget have eased (e.g., through additional expenditures being declared emergencies—whether they are or not—that do not require offsets).

This brief description of the key decision-making processes involving foreign aid provides only the bare framework in which budgetary, policy, and allocative decisions are made. Let us now examine in greater detail the actors in this process and how they interact to influence decisions, and how those interactions have changed during the past decade.

## Actors and Interactions

We now examine each of the major groups of actors in the politics of foreign aid: The Executive Branch agencies, Congress, private organizations, foreign governments and international organizations, and public opinion.

### The Executive Branch

There are five major players in the politics of foreign aid in the Executive Branch: The Department of State, USAID, the Treasury (responsible for multilateral development banks), the OMB, and the White House (including the NSC, the president and at times the vice president, and the first and second ladies).

The Department of State has long been the preeminent Executive Branch player in foreign aid issues. It is the key decision maker for US voluntary

contributions to international organizations, including the UNDP, UNICEF, and others. It is the principal actor in decisions on the overall size, country allocation, and—to an increasing extent—use of ESF monies. (ESF, it will be remembered from the previous chapter, is a program of bilateral aid provided primarily for security or political purposes. Much of this aid goes to countries of the Middle East. Its delivery and implementation are managed largely by USAID.) The State Department also participates in decision making on the country allocation and, at times, the use of Development Assistance—the bilateral aid program directed and managed by USAID.

Two trends appear to mark the State Department’s engagement in foreign aid issues during much of the past decade. One is the declining relevance of development aid for the State Department’s priorities. The other is the increasing efforts by the department to exert greater control over US bilateral aid resources generally.

The department’s interest in and advocacy of aid for development—as reflected in testimony, speeches, and attention from senior officials—appears to have diminished considerably during the past decade. For example, in late 1999, an opinion piece by Secretary of State Madeleine Albright urged Congress to increase appropriations for foreign affairs spending by emphasizing the need for the United States to “defuse crises, repel dangers, promote more open economic and political systems and strengthen the rule of law” and to “address urgent humanitarian needs such as child survival, clearing land mines, caring for refugees and slowing the spread of HIV/AIDS.”<sup>3</sup> “Development” was never mentioned.

The reasons for this trend are not hard to find. The end of the Cold War reduced US strategic concerns in the developing world, and with it the relevance to foreign policy officials of aid for development. But perhaps more important, the most difficult development problems are concentrated in Sub-Saharan Africa, where the United States has the fewest strategic, political, and economic interests. (There is a broad but still relatively weak constituency for US engagement in Africa, made up primarily of African-American groups and humanitarian organizations. It has thus far been unable to raise significantly the priority of the region in US foreign policy.) Additionally, with considerable economic progress in Asia and Latin America during the past several decades and the increasing and diverse US ties in those regions, foreign aid as a diplomatic tool for US ambassadors—for example, to ensure access to government officials—has become far less useful. (It still, however, remains useful—even essential—for US diplomats in Africa, where there are far fewer trade, investment, and other ties. But Africa remains at the lower end of the list of regional concerns, and so the diplomatic usefulness of development aid

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3. *The Washington Post*, 9 September 1999.

there does not translate into a major priority for that aid at the senior levels of the State Department.)

A second trend evident in the State Department during the past several years has been an effort to gain greater control over bilateral aid resources. The major tactic in this effort has involved proposals to merge all or part of USAID with the Department of State. The declining relevance of development aid and a view on the part of some senior State officials that more aid resources were needed to give greater influence (both inside and outside the State Department) to US diplomatic initiatives involving transnational issues led Secretary of State Warren Christopher in 1994 to propose a merger of USAID into the State Department. Vice President Gore agreed that the National Performance Review (attached to his office) would undertake a study of the organization of several foreign affairs agencies, including the option of a merger. USAID opposed the idea on the grounds that such a merger would undercut its development mission. The vice president eventually decided against such a merger, but the issue was then taken up by Senator Jesse Helms and others in Congress, who sought to force the administration to implement a merger through legislation and political bargaining. The administration agreed to fold two other small agencies (the Arms Control and Disarmament Agency and US Information Agency) into the State Department but refused to include USAID in that merger.<sup>4</sup>

The issue of a merger between USAID and the Department of State is dormant but not dead as of this writing. It arose again in 1999 with another study, mentioned in the previous chapter, about the organization of US programs and agencies charged with responding to humanitarian emergencies abroad. The contest for control over bilateral aid and, by implication, over the purposes for which that aid is used, will continue in the new century until there is a consensus within the Executive Branch and in Congress on the future directions of US aid.

Having mentioned USAID several times already, let us now turn to it as a political actor in the foreign assistance drama. It is responsible for managing the three major bilateral aid programs—Development Assistance, ESF, and PL 480. It has the policy leadership in Development Assistance and food aid but must negotiate with the Department of State on the country allocation of Development Assistance and, at times, of food aid as well.

The best way to think about USAID's political role is as an advocate, within the Executive Branch, with Congress, private groups, and the

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4. What was decided was to place the administrator of USAID "under the direct authority and foreign policy guidance of the secretary of state," and to shift several positions in USAID's press office to the State Department. In fact, these changes were insignificant, and USAID continues to operate as a semi-independent agency, much as it did before the issue of merger arose.

public, for maximum levels of aid for development and for maximum flexibility to manage that aid. The implicit price to USAID of support from within the Executive Branch, Congress and a variety of organized interest groups for higher levels of foreign aid, is often the allocation of a portion of its resources to the purposes and activities favored by its supporters. As it has come to depend on private organizations more and more for support of its programs in Congress and even in its dealing with the administration (e.g., on the issue of its survival), USAID has lost much of its management flexibility and control over what it spends its funds on.

But USAID does more than advocate. As a relatively weak government agency (because it does not have cabinet-level status), it typically looks for allies within the bureaucracy. When possible, it will play one agency off against another (or one house of Congress off against the other) to advance its interests. For example, when the NSC is actively engaged in aid issues, USAID will, if feasible, seek its support to resist demands from the Department of State. Since the Carter administration, there have been no senior officers in the NSC with expertise on foreign aid and responsibility for aid and development policies, limiting the opportunities to use this tactic. However, in both the Bush and Clinton administrations, the second and first ladies, respectively, have taken an interest in certain of USAID's programs and at times have acted as quiet supporters of those programs and of the survival of USAID as an organization.

When it cannot find allies to defend its programs, USAID sometimes adopts another tactic: It attempts to withdraw from the political fray by refusing to return telephone calls, avoiding interagency meetings, creating barriers of various kinds to moving forward with proposals from other agencies (e.g., by citing multiple regulations that would prevent implementing such proposals), and being generally difficult and time consuming to deal with. This tactic can work, at least in the short run, when other agencies do not feel strongly about their proposals. It cannot work where a proposal is of high priority and another agency has the willingness and ability to force its adoption.

There are three other bilateral aid agencies: The Peace Corps, the InterAmerican Foundation, and the African Development Foundation. The budgets of these agencies are small enough (the Peace Corps' annual budget is just over \$245 million; the budgets of the other two agencies are \$5 million and \$14 million, respectively) to be barely visible on the foreign aid political screen. One—the Peace Corps—has a strong constituency of former volunteers, including a number of members of Congress. The other two have relied on small groups of supporters—often including influential members of Congress and Hispanic or African-American groups—to survive in periods of budgetary stringency and organizational streamlining. In contrast to the much larger USAID, they are left alone by

most of the rest of the Executive Branch (apart from periodic grumbings from OMB). Smallness and persistence can help survival and the avoidance of drastic budget cuts.<sup>5</sup>

The Treasury is responsible for US representation in the multilateral development banks. It is usually the sole player in proposing the annual level of US contributions to those organizations (which are, in turn, based on the levels the United States has negotiated with other member states of the banks). There are occasional conflicts between USAID and the Treasury over the funding levels proposed for bilateral versus multilateral agencies—especially when budgets are tight and trade-offs unavoidable. From time to time, there have also been efforts on the part of USAID to gain control over US policies and representation in the banks, using the argument that those organizations are working on development issues that USAID knows far more about than the Treasury and that therefore responsibility for them in the US government should be in USAID.<sup>6</sup> However, this proposal has never been taken seriously outside of USAID, especially because the Treasury is widely regarded as a far more effective advocate of assistance for these organizations than USAID could be.

Other major actors in the foreign aid drama within the Executive Branch include the Office of Management and Budget, and, as already noted, the National Security Council and the president and vice president. OMB is responsible for overseeing the budgetary aspects of foreign assistance and recommending to the president annual budgets for aid agencies and programs. This role gives OMB a basis on which to influence policies as well as budgets, for the two are usually intertwined. Its entree into policy debates typically arises when there are important issues of efficiency and effectiveness of existing policies or when there are proposals for new policies with budgetary implications. It can exert considerable influence on foreign aid policies when important foreign policy concerns are not in play. (OMB is seldom a match bureaucratically for a determined Department of State and almost never for the National Security Council when high priority aid issues are being decided.) OMB's approach to budget and policy issues is often "the less spent, the better." Indeed, it is probably the only agency in the Executive Branch whose officials are rewarded for cutting budgets rather than increasing them. OMB is also charged with evaluating the management of US government agencies, but it has seldom had significant influence or capacity in this area.

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5. But not always. The InterAmerican Foundation's support in Congress has eroded since Congressman Dante Fascell retired. Recently, its budget was slashed because of dissatisfaction on the part of key members of Congress with its performance and disapproval of its perceived posture distancing itself from US foreign policy.

6. See, e.g., J. Brian Atwood [USAID administrator], *The Future of the US Foreign Assistance Program*, Overseas Development Council, 29 June 1999, <http://www.odc.org.commentary>.

Finally, there is the White House—the president, vice president, and NSC—which can trump all the other players when they become engaged in a foreign aid issue. They can also be influenced by the other players, who will, if possible, seek them out as allies.

Few presidents during the past several decades have had much ongoing interest in foreign aid. In contrast to Presidents Kennedy, Johnson, and Nixon, they have made few speeches on the subject or created few blue ribbon committees to study foreign aid issues and make recommendations for overall program and policy changes. The overall diminishing relevance of foreign aid to the high priorities of US foreign policy partly explains this phenomenon. The view on the part of most presidential political advisors that—given the perceived public hostility to foreign aid—paying attention to aid will carry political costs for their bosses, has also led to the diminished importance of foreign aid on the national political agenda.

Presidents do, of course, get interested in aid to help with specific international problems—for example, when there is a sudden crisis or major change in the world for which aid is a useful tool of US policies. A presidential trip abroad can also generate pressures for deliverables in the form of aid commitments, as we have seen in chapter 3. Few vice presidents have shown much interest in aid issues—except Vice President Gore, whose commitment in particular to environmental preservation led to increases in foreign aid for that purpose for several years.

Two further points need to be made regarding the actors on foreign aid within the Executive Branch. First is the “dog that didn’t bark” point. In the case of the United States—in contrast to a number of other aid-giving governments—the Department of Commerce, the Export-Import Bank, and other agencies engaged in promoting US trade and investment abroad play almost no role in policy and allocative decisions involving foreign aid. There are several reasons for this. One is that, in the past, the use of foreign aid for diplomatic purposes limited its use for commercial purposes as well. US aid diplomacy that attempted to advance US political interests by expanding US business in Latin America, Africa, and Asia would have been highly suspect and controversial—even more than it was already, simply coming from a great power—and could have led to its rejection by governments under pressure from the left in their countries. In effect, the involvement of the Department of State in influencing foreign aid has helped keep the Commerce Department and other commercially oriented US government agencies out. A second factor that left commercially oriented US government agencies out of decisions on where US aid is spent or how it is used was that US aid was already tied largely to the purchase of US goods and services. The fact that more than 80 percent of US aid is spent in the United States has provided the State Department and USAID with the argu-

ment that the US economy and, by implication, US businesses are already benefiting from foreign aid.

A final reason for the limited influence of commercially oriented US government agencies on foreign aid decisions is the relatively small amount of funding provided to most countries—in the range of \$10 million to \$40 million per year. These are not large amounts from the point of view of major US corporations, and so the potential commercial benefits of trying to influence aid are hardly worth the effort.

The second point in this section on Executive Branch players in the foreign aid game involves the many US government agencies, apart from those specialized in foreign affairs issues, that have initiated their own programs of external assistance during the past decade. They often effectively advocate with USAID to channel its aid monies through them to support their programs abroad in health, labor, transportation, and other activities. A proportion (we do not have data on how much) of USAID's monies, especially in Eastern Europe and the former Soviet Union, continues to be channeled through other US government agencies for a variety of activities.<sup>7</sup>

## Congress

The Congress acts primarily by passing legislation. In the case of foreign aid, the key legislative act, as we have already noted, is appropriating funding for assistance programs. And, it is generally understood, the tasks of chairs of the foreign operations subcommittees and their staffs are to craft a foreign aid bill and manage the legislative process so that the bill is eventually passed by Congress and signed by the president. A failure to pass an appropriations bill by the beginning of the fiscal year will lead to a shutdown of government agencies (as in late 1995). Such a shutdown obviously disrupts programs and the personal lives of the employees affected. It is also generally seen as a failure of political leadership in Congress, and so members and, particularly appropriations subcommittee chairs, do their best to get a funding bill passed—if not a freestanding bill, then spending authorities for foreign aid within an omnibus appropriations bill (as in 1997), or as a continuing resolution, which will usually permit the expenditure of funds at the level of the previous fiscal year.

What does it take to get a foreign aid appropriations bill passed? The short answer, of course, is an adequate number of votes. And what does it take to get an adequate number of votes? It takes two things. One is

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7. USAID's Congressional Presentation for fiscal year 2000 mentions that in Russia, its funds supported activities by the Environmental Protection Agency, Health and Human Services, the Departments of Energy, Agriculture, Commerce, and Justice, the US Forest Service, the Treasury, and the Peace Corps. See <http://www.usaid.gov>.

arguments justifying the overall purposes of aid that are sufficiently persuasive to garner votes. The other is specific programs and policies within the bill that a coalition of members find attractive enough from the point of view of their own interests and preferences to support. These two components are shaped in a political environment that also has a major influence on the voting behavior of members of Congress. Let us examine in more detail these factors and the role of the political environment in influencing foreign aid legislation.

The major issues of the day affect the congressional politics of any number of government programs. But this is particularly true of foreign aid, for two reasons. First, it is a set of programs with a relatively weak domestic political constituency and thus is particularly vulnerable to the prevailing political winds. The influence of the general political environment was very evident in the sharp cuts in foreign aid made both by Democratic and Republican Congresses in the mid-1990s, reflecting the unhappiness of their constituents during an economic recession and their own efforts to trim large budget deficits. The antigovernment ideological fervor of the Republican Congress that took power in 1995 also contributed to the deep cuts in aid that year, as well as efforts to eliminate USAID and shift its programs into the Department of State.

Second, foreign aid is a tool of US foreign policy, so when there are controversial issues involving US foreign policy, foreign aid legislation becomes a lightning rod for criticism. Such controversies can generate sharp cuts in aid levels, legislative restrictions, and outright defeat of aid bills. This was the case in the early 1970s during the war in Indochina, when a Democratic Congress refused to pass a foreign aid authorization bill to protest the Nixon administration's policies in Vietnam. This was also the case in the 1980s, when a Democratic Congress became increasingly unhappy with the Reagan administration's policies in Central America. And for several decades, foreign aid has been a focus of debate between pro-life and pro-choice members about abortion (because foreign aid funds family planning programs abroad). As one member of the House remarked, foreign aid "can pass if it has no single-issue red flags and if it's supported by the president."<sup>8</sup>

Another element in the political environment involves political parties. It is worth asking here whether the political party in power in Congress makes a difference in foreign aid appropriations. The short answer is not much, especially after the Cold War. As a general matter, Democrats have tended to be more supportive of foreign economic assistance (and resistant to foreign military assistance), while Republicans have been more critical of foreign economic aid and more supportive of military aid abroad. Further, many share the view that Republicans support aid

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8. The comment was by James Leach (R-Iowa), cited in *Congressional Quarterly Almanac* 47, 1991, 478.

to help promote US economic interests abroad while Democrats are more favorable toward foreign aid that helps the poor.

In fact, the ideological differences between the parties are only the most general guide to their policy preferences and votes on foreign aid. Democrats did cut military aid levels proposed by the Bush administration and increased aid for development several years running. But Republicans, once they gained control of Congress in 1995, did not do the reverse. Rather, since then they have forced the Clinton administration to put more aid into activities related to helping children and have shown no interest in pushing aid into greater support for US commercial interests abroad.<sup>9</sup>

Further, just because the same party controls Congress and the Executive Branch does not mean that foreign aid programs proposed by the latter are strongly supported by the former. One of the deepest cuts in recent times in foreign aid was taken by a Democratic-controlled Congress in the early years of the Clinton administration.

Key factors influencing votes by members of Congress on foreign aid are ideas (i.e., rationales) and interests. The purposes of foreign aid, used by the Executive Branch to justify aid programs, are an important element in the politics of aid in Congress. The two broad purposes of limiting the expansion of Soviet influence and promoting development in poor countries long provided a basis for both liberal and many conservative members to support (or at least not actively oppose) aid appropriations. The disappearance of the security rationale and the weakening of the development rationale since the early 1990s—without the Executive Branch being able to offer compelling substitutes—has had two results. First, the weakened rationale for foreign economic assistance has forced the aid program to rely heavily on a coalition of interests for its passage, and these multiple interests are reflected in the number of earmarks and directives now in the program and reduced flexibility on the part of the administration in managing bilateral aid. Second, a coalition of interests may support passage of appropriations bills if members favoring those interests are numerous and in positions of influence in Congress. But if a large number of newly elected members arrive who have little knowledge of foreign aid, are highly skeptical of its value and rationales, and have no ties to groups supporting it, the aid program can become very vulnerable to attack and deep cuts—as it proved to be in 1995.

The loss of compelling security and development rationales for foreign aid has also led Congress to adopt what has become in effect a

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9. Ironically, there was a move in the Democratic-controlled Senate at the beginning of the 1990s—led by Democratic Senators Lloyd Bentson, Robert Byrd, David Boren, and Max Baucus—to allocate large amounts of US foreign aid for large infrastructure projects abroad that would be implemented by the US construction industry. This move was finally quashed by the Clinton administration, as noted earlier.

**Table 3.2 Child survival and disease programs as part of total Development Assistance** (millions of US dollars)

	1995	1996	1997	1998	1999	2000
Child survival and disease	571	567	600	650	700	715
Total DA	2,111	1,729	1,733	2,024	1,895	1,923

Note: About \$100 million of the child survival funds are earmarked each year for UNICEF.

Source: Congressional Research Service, annual analyses of Foreign Operations Appropriations, various years.

substitute, if unarticulated, rationale—helping disadvantaged children and other groups abroad (which appeals to the humanitarian values of the US public) and addressing the spread of several major diseases, including HIV/AIDS and tuberculosis. Table 3.2 shows the trend in Development Assistance earmarked for child survival and disease-related activities abroad. (The funds allocated to disease average about \$150 million to \$200 million per year.) In each of these years, the allocations for this purpose by Congress exceeded the administration’s request, even when it cut other components of that request.

What sorts of interests, then, motivate members of Congress to vote for foreign aid? Some may have to do with the make up of their constituencies: Members with large numbers of constituents who actively support aid for particular countries or purposes will have a reason to vote for foreign aid. Undoubtedly, the most active and effective constituents for foreign aid (as we shall see in more detail below) are those concerned about the well-being of Israel. But African-Americans, Armenian-Americans, Greek-Americans, church groups, environmentalists, and others also attempt to influence members of Congress to support foreign aid (and often press for earmarks and directives for their particular program preferences).

Members of Congress (and their staffs) often have personal preferences for particular types of aid programs, regardless of whether or not they have sizable numbers of constituents who also support such programs. The support for child survival on the part of many members of Congress, mentioned above, is one example.

Chairs of the foreign operations subcommittees in the House and Senate often add earmarks or directives benefiting particular groups in their own constituencies. They see such earmarks as a form of “seignorage”—a benefit for them in their districts for managing the passage of a sometimes unpopular aid bill. On occasion, members will vote for foreign aid because another member they trust urges them to do so. However, the phenomenon of major figures in the House or Senate—such as a Hubert Humphrey or Jacob Javits in the Senate in the 1970s—being able, on the

basis of their own status and reputation, to lead members to vote for foreign aid appears to be a thing of the past. There are few members with the prestige of a Humphrey or Javits and even fewer who are willing to use their influence on foreign aid issues. Members may also vote for foreign aid primarily on the basis of their status or prestige because the president asks them to do so or to vote against legislation because the president threatens a veto. In recent years, the president has lobbied Congress on specific aid issues—on levels for certain programs (e.g., Bosnia or the Wye River Agreement), on organizational issues (which are usually the prerogative of the Executive Branch), and on policies involving family planning and abortion. But for US presidents at the end of the 20<sup>th</sup> and beginning of the 21<sup>st</sup> centuries, foreign aid as a whole was not often an issue on which they were willing to spend much personal or political capital with members of Congress.

Members of Congress, wary of the perceived skepticism or hostility of many of their constituents toward foreign aid (especially in times of economic stress at home) also look for “cover” for voting for aid. That cover often takes the form of significant cuts in overall aid programs below the level of the previous year, below the administration’s request, or often in the form of an across-the-board cut during floor debates on foreign aid. (One member introduced for years an across-the-board cut—often of only 1 percent—in floor debates in the House of Representatives. The cut was accepted—even, one suspects, arranged in advance by the subcommittee chair managing the bill—during those years in the early 1990s when there was a recession.<sup>10</sup>) These kinds of cuts permit members to claim to their constituents that although they voted for foreign aid, they supported cutting overall aid levels.

What generalizations can we draw from these elements in the congressional politics of foreign aid and from congressional actions in recent years involving foreign aid? First, the political environment matters a lot. When there are economic stresses at home, foreign aid will be vulnerable to cuts. When there are highly controversial foreign policy issues, especially if foreign aid is an element in those issues, foreign aid generally will be vulnerable to attack and cuts.

Second, as long as a compelling rationale for foreign aid is lacking, passage of foreign aid bills will have to rely more on the politics of interests than of ideas and on the preferences of key members of Congress. And although this approach will work when there is continuity of members in Congress who have an interest-based reason for supporting aid,<sup>11</sup> it can make foreign aid both less flexible as a foreign policy tool

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10. For accounts of these cuts and other details of congressional action, see *Congressional Quarterly’s* reporting on foreign aid.

11. I include here interests based on personal beliefs or preferences as well as interests associated with a member’s constituency.

and more vulnerable to attack when there is a major change of congressional leadership or an influx of new members of Congress who do not see a compelling rationale for voting for aid. This is, in part, what happened in Congress in 1995.

## Private Groups

It is often said by commentators on the politics of foreign aid that such aid has no constituency within the United States. That is wrong. It does have a complex and growing constituency, though still a relatively weak one overall. The various private organizations that make up the constituency for foreign aid can be grouped into four categories—those supporting aid to particular foreign countries, regions, or ethnic groups; those supporting aid for particular purposes, such as family planning or preserving the environment; those supporting aid in general; and think tanks, which often advocate particular aid policies as well as frame and inform debates on aid. The strongest elements in this constituency include the organizations supporting aid for particular countries (above all for Israel) and those supporting aid for specific types of activities. The third and fourth of these categories are the least influential.

It is not surprising that organizations of Americans supporting aid for particular countries or regions are numerous and active: The United States is made up of many immigrants or their descendants, who often maintain an affinity for or have strong ties of sympathy to their places of origin. However, only a few of these types of organizations play a significant role in the politics of foreign aid. Without doubt, the most effective of them is the American Israel Public Affairs Committee (AIPAC), widely regarded as the second most influential and effective lobbying organization on any issue, foreign or domestic, in the United States.<sup>12</sup> AIPAC has a large grassroots network, with 55,000 members, located throughout the country. Many of these members are leaders in their communities (and therefore can often reach members of Congress quickly when they want to) and are strongly committed to the mission of AIPAC—“to lobby Congress about legislation that strengthens the relationship between the United States and Israel.”<sup>13</sup> AIPAC makes sure that each member of Congress is contacted at least once a year by one of its members on an issue of importance. There are many more contacts with members of Congress

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12. AIPAC has been judged in several surveys of members of Congress and administration officials as the second most effective lobbyist group in the United States, after the much larger and better funded AARP (American Association of Retired Persons). See Jeffrey H. Birnbaum, *Washington's Power 25*, *Fortune*, 8 December 1997, 144-52. See also Susan Rees, *Effective Non-profit Advocacy*, Aspen Institute, Washington, 1998, <http://www.aspeninst.org/dir/polpro/NSRF/ENPA>.

13. From AIPAC's mission statement on its Web site, <http://www.aipac.org>.

who play a key role in shaping aid and other legislation affecting Israel. And although AIPAC does not provide campaign financing, its membership (which does contribute significantly to political campaigns) is often well aware of which members of Congress have been supportive of aid to Israel and which have not. In short, AIPAC has an organization and an influential and active grassroots membership that gives it exceptional clout in Congress and with the administration on foreign aid. Its support of foreign aid appropriations generally (not only the funds for Israel) is widely regarded as crucial to the passage of that legislation annually.

Other organizations supporting aid for particular foreign countries include those favoring Armenia and Greece. Various groups of African-Americans have been supporters of US aid to Sub-Saharan Africa as well.

Organizations supporting aid for particular purposes number in the several hundreds, at least. InterAction (the umbrella organization for NGOs working on relief and development issues) has 160 members, and this membership far from exhausts the field. The better-known groups in this category include environmental organizations (e.g., Nature Conservancy, World Wide Fund for Nature), family planning organizations (e.g., Population Council and Population International), the many organizations that work on problems of relief (e.g., Save the Children), organizations that support micro-enterprise lending (e.g., FINCA or RESULTS), the land grant and other universities that have favored aid for agricultural research and development, community service organizations (e.g., Kiwanis and Rotary International) that support aid funding for international health campaigns (e.g., the eradication of polio), and alliances of organizations—such as those advocating debt relief for poor countries and those supporting international programs to benefit children. Also in this category is the labor movement, represented by the AFL-CIO, which tends to lobby (more with the administration than Congress) for funding for its Center for International Labor Solidarity, and the farmers—who were active supporters of food aid in the past but have tended to lose interest in food aid as US agricultural surpluses have declined.

This category of organizations is the largest and fastest growing element in the private constituency for foreign aid. It tends, however, to be fragmented, with individual organizations or alliances focusing on particular types of aid-funded activities, rather than the broader issues of foreign aid. A number of these types of organizations lobby not only for aid for their preferred activities but for congressional earmarks or directives requiring USAID to fund those activities.

A third category of organizations includes those that support foreign aid in general, usually as a reflection of US values of helping the least advantaged. Faith-based organizations fall into this category. Alliances and coalitions of organizations in the previous category, plus others with a periodic interest in foreign aid, also fall into this category—although such alliances tend to be temporary. They are typically formed to address

a serious threat to foreign aid—as in the mid-1990s, after several years of deep cuts in aid—and then tend to dissolve after the threat is passed. This tends to be the smallest and, at most times, the least influential group in the aid coalition.

What is striking about the constituency for foreign aid is that most of it supports a variety of humanitarian-oriented activities or help for particular countries. There is almost no continuous coalition supporting foreign aid for all of the purposes described in the previous chapter, and there is almost no coalition supporting aid for development per se.

Think tanks involved with development issues are relatively few, and their influence appears to be limited. The Overseas Development Council has been active in foreign aid issues in the past, but its efforts and influence have diminished in recent years. No other Washington-based think tank has foreign aid as a significant or continuous part of its research agenda. Universities used to do a considerable amount of research on foreign aid and development issues and contributed to policy debates in the past, but their role has also diminished with cuts in aid funding and fewer opportunities for their graduates to work in the field of development. Some universities still produce technical studies of development aid—usually funded by USAID, the World Bank, or other aid agencies. The Harvard Institute for International Development was one such entity until it was dissolved in June 2000. But the impact of these three institutions on policy debates has been limited during the past several decades. (This contrasts with the situation in the United Kingdom, where several universities and think tanks—including the Overseas Development Institute and the University of Sussex—continue to play an influential role in the discourse on aid and development.)

How do these various groups and alliances influence foreign aid? They lobby administration officials, when possible, and members of Congress and their staffs on foreign aid policies and legislation. Finding influential allies within the Executive Branch or in Congress is an important tactic. They testify before Congress. They attempt to inform the public and mobilize public pressure (e.g., through letter-writing campaigns to members of Congress), and they call the attention of the media to their issues through public events (concerts, demonstrations, etc.) and through meetings with journalists and editorial writers. Some of these organizations can punish members of Congress who oppose their views through adverse publicity or through influencing campaign contributions of their members. And when they can, they will horse-trade with other organizations, members of Congress, and Executive Branch officials, supporting them on other issues in exchange for support on the aid issue they believe important. All of these tactics are a familiar part of interest-group politics in America. The difference on foreign aid is that the private players tend to be less experienced and far less well funded than many of their domestically oriented counterparts, and few of them have issues of high

salience (“drop-dead issues”) for their members. Even with informed and supportive Americans, issues involving foreign aid are typically one among many issues on their agendas.

## Foreign Governments and International Organizations

Foreign governments and international organizations are in theory not supposed to be players in the US political process. But, of course, they are. Foreign governments often hire prominent lawyers, public relations firms, and lobbyists to advise them and represent their interests in Washington. Lobbyists for foreign governments do not appear to wield significant influence on foreign aid issues. However, if foreign governments can find sizable groups of Americans or key individuals in positions of political power who share their goals and are willing to organize and act politically, they can work together to bring considerable influence to bear in the politics of foreign aid. For most foreign governments, however, this is not an option.

International organizations also have their representatives in Washington (who almost always are US citizens, and often former members of Congress or staffers to key members), including, for example, WHO, UNDP, and the International Fund for Agricultural Development. Although these representatives are supposed to provide information to Americans on their organizations and keep their headquarters informed of what happens in Washington, they have been known to urge their agencies’ funding preferences on US officials and members and staffers in Congress—often with some success.

## Public Opinion

The US public appears to be both supportive and skeptical of foreign aid. Polls show that a majority of Americans support aid to the needy abroad. Many also believe that the United States is spending too much money on foreign aid and would support lower levels. Interestingly, there is a widespread misperception of how much foreign aid the United States actually provides—with polls showing that a majority thinks the United States spends about 15 percent of the federal budget on aid and believe that 5 percent of the budget for foreign aid would be more appropriate.<sup>14</sup> In reality, the amount spent on foreign aid is less than 1 percent of the federal budget, suggesting that there may be latent support for considerably higher levels of aid.

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14. Steven Kull and I. M. Destler, *Misreading the Public: The Myth of a New Isolationism* (Washington: Brookings Institution, 1999).

At the same time, many members of Congress often prove reluctant to vote for foreign aid, and presidents are typically adverse to making speeches in its favor—suggesting that they perceive a public skeptical or hostile to aid. What do these mixed messages tell us about the role of public opinion in the politics of foreign aid?

Steven Kull and I. M. Destler,<sup>15</sup> in their book, *Misreading the Public: The Myth of the New Isolationism*, found that 80 percent of the US public support the United States sharing its wealth with those in the world in great need. (Only 8 percent of the public wanted to eliminate foreign aid entirely.) However, this support was often lukewarm. Polls show that three-quarters of Americans believe that the United States spends too much on aid, and more than 80 percent felt that much of the aid was wasted or did not get to the people who needed it.

Those believing that too much money was spent on foreign aid were typically misinformed, greatly overestimating just how much of the federal budget goes for foreign aid—as the poll referred to above showed. This exaggerated view of the size of US aid reflects the fact that the US public normally pays little attention to it. Except when there are prominent issues of humanitarian suffering abroad, the public tends to be passive and permissive on issues of aid rather than an active player in aid politics. It appears that the US public reacts to issues involving foreign aid according to the optic through which the aid is presented. If it is a question of helping the needy abroad or an issue of the United States retaining its leadership in the world, public opinion, as reflected in numerous polls, tends to be supportive of aid. However, if issues of foreign aid are seen through the optic of a tradeoff with resources available for addressing domestic problems (especially in times of economic stress), or “welfare for foreigners” or of an inefficient use of the taxpayers’ resources, the public is far more critical of foreign aid. Members of Congress wary of being identified with foreign aid may be reacting to the possibility that their support for foreign aid will be presented to their constituents by their critics through a wasteful welfare optic rather than a humanitarian one.

## Conclusion

What does this chapter indicate about the political future of US foreign aid? First of all, the constituency for foreign aid is shifting. The Executive Branch remains a major advocate for aid for peacemaking, global issues, democracy, and humanitarian relief. Congress, reflecting the preferences of its members (based in part on what they believe their constituents will

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15. For a detailed answer to this question, based on extensive polling, see Kull and Destler, *Ibid.*

support), has elevated programs to help children to a high priority. Private organizations remain key advocates of aid for particular countries and are especially effective on aid for Israel (and its neighbors) and for a variety of activities, involving humanitarian purposes or what we in the previous chapter called global issues. What is almost absent from this constituency is support for development. The administration as a whole has diminished interest in this purpose since the end of the Cold War, and private organizations—because of the fragmented nature of their own activities and interests—are seldom effective advocates of aid for development or for foreign aid as a whole.

However, another look at the findings of this and the previous two chapters suggests that the elements of a new policy paradigm may in fact already exist—albeit unrecognized and unarticulated. The old security purpose has become increasingly a peacemaking purpose—part of a growing focus of US foreign policy generally and one that is important to the administration. The old development purpose has been in part transformed by Congress into a concern for child survival and other humane interventions. Like the old foreign aid policy paradigm, one of these purposes is related to broader US interests and foreign policy goals; the other is related to US values and a concern for helping the least advantaged abroad better their lives. Added to these elements in a new paradigm is a third purpose primarily related to US interests, supported both by the administration and Congress—addressing transnational issues. A fourth, value-driven purpose is the willingness, as in the past, of the American people to respond generously to humanitarian emergencies abroad. These four purposes could become the basis for a policy paradigm that would carry US foreign aid both conceptually and politically into the new century.