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U.S. Foreign Aid Policy: Its Impact on Public Opinion

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U.S. FOREIGN AID POLICY:
ITS IMPACT ON PUBLIC OPINION

by

Jane L. Olson

A Thesis Submitted to the
Faculty of the School of Graduate
Studies in Partial Fulfillment
of the
Degree of Master of Arts

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6. "Expenditures in the U.S. and Other Sources as Percent of Total A.I.D. Commodity Expenditures," continued .......................... 55
INTRODUCTION

An analysis of the relationships between public policy and public opinion is vital to gaining an understanding and appreciation of the political process in the United States. According to democratic theory, citizens are to be free to express their views on issues and policy decisions. In a representative democracy the elected officials are supposed to carry out the wishes of their constituents. This study is directed toward analyzing the relationships between foreign aid policy and public opinion toward ten selected policy changes which have taken place since World War II. It focuses on the formal foreign aid program; and, therefore, secondary aid such as contributions to international organizations and isolated programs such as the Social Progress Trust Fund do not fall within the scope of the work. The purpose of the thesis is to prove or disprove the hypothesis by revealing the impact of selected changes in foreign aid policy of the United States on public opinion. This is accomplished by determining the relationships between policy changes and public opinion since World War II. Ten specific policy changes serve as the basis for examining public opinion as measured in national
surveys and in an original pilot study carried out in Kalamazoo, Michigan.

The hypothesis is composed of three propositions. First, it is assumed that, because the amount of attention given to foreign aid is very small, people in general are not aware of policy changes. Second, since the average citizen has little interest in foreign aid policy and the impact of foreign aid is remote from the general public, it is further assumed that most Americans do not understand the substance and significance of policy changes. Third, because of a lack of time, interest, and comprehension, the general public is assumed to be inadequately prepared to fairly evaluate the policy changes documented in this thesis. Evidence has been gathered in order to test the validity of the assumptions in this hypothesis. It will be supported or disproved through an analysis of national surveys and a local pilot study as they relate to the documented policy changes. Validation of the hypothesis is sought through an analysis and evaluation of data as it relates to the following specific questions:

(1) To what degree are people in general aware of the ten selected changes in foreign aid policy?

(2) What are the preferences of the American
public in respect to those aspects of foreign aid policy which have undergone changes?

(3) What explanations for particular views and/or lack of knowledge do the public opinion surveys provide?

(4) Does public dissatisfaction with foreign aid policy have any causal relationship to specific policy changes?

This study is composed of five sections. In Chapter One, the principles, assumptions, and objectives underlying foreign aid since its inception during World War II are examined. A resume of its historical development serves as a background for policy changes. To put public opinion on foreign aid in proper perspective, the primary arguments, pro and con, which have persisted over the last twenty years are analyzed. Chapter Two gives a documented account of ten selected changes in foreign aid policy. An examination and analysis of the results of national opinion surveys are presented in Chapter Three. The specific survey questions cited are considered in their relationship to changes in policy. Chapter Four deals with the original research which was carried out for this thesis. The results of a pilot study of opinion leaders and influentials in Kalamazoo, Michigan, are
presented and analyzed in relation to the changes also. Final conclusions aimed at proving or disproving the hypothesis are developed in Chapter Five.
CHAPTER I

FOREIGN AID: A CONTINUING DEBATE

1. Principles and Objectives

The basic principles underlying foreign aid policy since its beginning in 1942 have been that assisting other countries is vital to the national security of the United States and that using the wealth of resources to help foreign countries is of great value in itself, a responsibility of a Great Power. The first principle is derived from the idea that the strength and security of the Free World directly affect the national security of the United States. The second principle is based on the moral obligation of helping those in need. The first principle is expressed in the official description of the purpose of foreign aid, "to foster a world environment that is conducive, not only to our survival but to the continuation of our free society."\(^1\) President John F. Kennedy reaffirmed the moral value of giving foreign assistance in his

inaugural address:

... To those people in the huts and villages of half the globe struggling to break the bonds of mass misery, we pledge our best efforts to help them help themselves, for whatever period is required—not because the Communists may be doing it, not because we seek their votes, but because it is right.2

In his message to Congress on foreign aid in mid-January of 1965, President Lyndon B. Johnson expressed both of these concepts:

For our own security and well-being, and as responsible free men, we must seek to share our capacity for growth, and the promise of a better life, with our fellow men around the world. That is what foreign aid is all about.3

The Agency for International Development, created in 1961 to administer foreign aid, has officially endorsed the position that the stronger countries will have to continue to assist the countries that are militarily and economically most vulnerable to aggression or subversion. This view rests on the basic concept accepted by successive administrations that the countries of the Free World constitute a community of nations with common objectives. The attainment of

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security and progress in freedom is vital to each of them individually, with the United States committed to an active role in this pursuit. Attaining the objectives of self-defense, the maintenance of sovereignty, and economic development rests on two primary assumptions. First, the principles underlying foreign aid are based on the assumption that assistance can in fact help countries to realize these objectives. Secretary of State Dean Rusk has stated: "Economic and military assistance, used at the right time and in the right way, can provide indispensable help..." in achieving foreign aid objectives. Aid during the immediate postwar period was based on the assumption that it would be needed for only a short period of time. This idea has since given way to the realization that foreign aid may be necessary for an indefinite period of time. The policy reversal stems from the change in objectives from providing relief and rehabilitation to giving assistance aimed at bringing

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about economic viability in under-developed countries. Currently, the Agency for International Development (AID) assumes that the objectives will be achieved to the extent that under-developed countries supplement this aid with significant efforts to help themselves:

Aid is most effective in bringing about the transition from dependence or stagnation to self-sustaining growth if it is concentrated on the countries that are doing the most to help themselves.6

Consequently, the degree of self-help is one of the criteria used in selecting those countries which are to receive the largest amounts of foreign aid.

The ultimate goals of foreign aid have been expressed in several different ways. Nevertheless, the goals essentially are to help other countries maintain their independence and to help them achieve economic development to the point at which they reach self-sustained growth in freedom. In more idealistic terms, President Kennedy expressed the basic objective of foreign aid in a speech to Congress in 1962.

Its fundamental task is to help make an historical demonstration that in the twentieth century as in the nineteenth, in the southern half of the globe as in the north, economic growth and political democracy can develop

hand in hand.  

Clearly, the goals of foreign aid are both economic and political.

The abstract nature of principles, assumptions, and objectives is understandably difficult for the general public to grasp. People are more likely to comprehend concrete examples and definite programs. In order to put the preceding points in context, an historical account of United States foreign aid follows with the intention that it make the principles, assumptions, and objectives easier to understand and give them greater significance.

2. Historical Background

The beginning of today's economic aid program dates from the creation in March, 1942, of the Institute of Inter-American Affairs, responsible for providing technical assistance to the Latin American countries. After World War II, foreign aid was aimed at providing relief and rehabilitation assist-

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7 John F. Kennedy, as quoted in To Turn the Tide, p. 146.

ance to war-ravaged areas of Europe and the Far East. The major organization was the United Nations Relief and Rehabilitation Administration (UNRRA) which received 72 per cent of its financial support from the United States. Between July 1, 1945, and June 30, 1948, the United States provided more than $14 billion in grants (including UNRRA) and $7.7 billion in loans. 9

In 1947, when containment of Communist global ambitions became a keystone of U.S. foreign policy, foreign aid was given a new task, that of directing $400 million in military and economic aid to Communist-threatened Greece and Turkey. 10 Thus, the first phase of postwar aid was linked to the Cold War. As one writer indicated, "The importance lies in the fact that this inaugurated the postwar U.S. foreign aid program as a means of opposing indirect Soviet aggression through the use of American money and material." 11 Fear of Soviet aggression led to the establishing of the North Atlantic Treaty Organization in 1949, and a subsequent military assistance program for Western

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10 H. J. P. Arnold, Aid for Developing Countries, p. 30.

11 U.S. Foreign Aid, p. 31.
Europe. Additional aid was granted to individual countries, especially in Asia and the Pacific. This aid was primarily military also and was given to achieve limited objectives. Thus, the Cold War brought about a basic change in the nature of American aid.

In 1948, the second phase of Cold War aid was initiated by the creation of the European Recovery Program. The allocation of Marshall Plan aid was based on a regional plan prepared by the recipient countries themselves. Another aspect of the Marshall Plan which was also absent from preceding programs was the objective of not simply providing relief, but assisting economic rehabilitation combined with self-help. A corollary of American policy was European economic integration. In 1951, a new program was inaugurated to help Europe rearm. Thus, the Economic Cooperation Administration which administered the Marshall Plan was replaced by the Mutual Security Agency. In total, sixteen nations received $21 billion in the period from 1948 to 1952. The Marshall

13U.S. Foreign Aid, p. 32.
14Ibid., p. 43.
15Jack C. Plano and Milton Greenberg, The Amer-
Plan was successful in helping to rebuild the war-shattered economies of Western Europe and thus was a significant factor in weakening the influence of both the Soviet Union and the Communist ideology in Western Europe.16

Two additional programs came into existence during this period. President Harry S. Truman in his inaugural address in January, 1949, proposed a bold new approach aimed at assisting in the economic development of under-developed areas of the world. The "Point IV" program of technical assistance subsequently was launched in 1950, when Congress passed the Act for International Development.17 This program served to supplement the Mutual Defense Assistance Act of 1949, the major purpose of which was to help Europe rearm speedily without sacrificing its economy and the aid given under the Marshall Plan.18 The Act for International Development was replaced in 1951, however, by the Mutual Security Act which provided money for military, economic, and technical assistance—more evi-

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16U.S. Foreign Aid, p. 44.
17The AID Program, p. 4.
18U.S. Foreign Aid, p. 31.
dence that U.S. aid was increasingly defense orien-
ted.\textsuperscript{19} This phase continued for over five years.
When President Dwight D. Eisenhower assumed office in
1953, the Foreign Operations Administration (FOA) was
established as successor to the Mutual Security Agency
of 1950.\textsuperscript{20} Another development in foreign aid policy
was instituted in 1954 by Public Law 480. Known as
the Food for Peace program, it provided for the sale
of surplus agricultural products to under-developed
countries. These countries pay for the goods in local
currencies which then form a pool from which devel-
opmental loans can be made by the United States to the
recipient countries.\textsuperscript{21}

The third phase of postwar aid was marked by a
new emphasis placed on providing capital as well as
technical assistance for economic development. Since

\textsuperscript{19}H. J. P. Arnold, \textit{Aid for Developing Coun-
tries}, p. 31.

\textsuperscript{20}Report to the Congress on the Foreign Assist-
ce Program for the Fiscal Year 1962. Prepared under
the direction of the Administrator of the Agency for
International Development with the cooperation and
participation of the Department of State and the
Department of Defense (Washington, D.C.: U.S. Govern-
ment Printing Office, 1963), p. 3.

\textsuperscript{21}Food for Peace ... Building a Better World,
Food for Peace Office, The White House. U.S. Depart-
ment of State, Information Staff of the Agency for
International Development (Washington, D.C.: U.S.
the immediate military needs of Europe and the less developed countries had eased somewhat by the mid-1950's, the International Cooperation Administration was created in 1956 to replace the FOA. In 1957, policy was further revised with the establishment of the Development Loan Fund. Previously, aid had been extended largely in the form of grants; the new program permitted the offering of long-term, low-interest loans to countries engaged in carrying out economic development programs.\textsuperscript{22}

By 1961—the beginning of the fourth phase—the conditions which governed the foreign aid program during the 1950's had changed considerably. Europe had completely recovered from the war and the need for large-scale military assistance had been reduced. However, while the threat of overt Communist aggression had declined, the danger of internal subversion had increased. Therefore, a new approach to the problem of Communist expansionism was required. The success of the independence movement in Asia and Africa necessitated further policy refinements with respect to economic development assistance. To meet these needs, the Agency for International Development (AID)

\textsuperscript{22}Report to the Congress on the Foreign Assistance Program for the Fiscal Year 1962, p. 3.
was established in 1961 to implement new working concepts through a centralized organization. Five premises, indicating major shifts in emphasis, were set forth:

(1) long-term development assistance based on plans prepared by the developing countries;
(2) self-help;
(3) adapting of aid to countries, consistent with their ability to use it effectively;
(4) loans in preference to grants;
(5) a greater share of the responsibility of foreign aid borne by our allies.\textsuperscript{23}

Although nearly one-half of the American population is old enough to have read or at least heard about each phase of foreign aid policy, relatively few people have been aware of the different programs and shifts in purpose and emphasis.\textsuperscript{24} One crucial indicator of a lack of awareness and understanding in this respect is the scope of criticism of foreign aid. Some of the supporting and dissenting arguments clearly reveal deficiencies on the part of the American public in their attitudes toward foreign aid. The following section is an examination of the major arguments presented on the subject.

\textsuperscript{23}Ibid., p. 4.

\textsuperscript{24}See below, Chapters III and IV.
3. Criticisms: Pro and Con

Supporters of foreign aid remind the public that five successive presidents and each Congress for over twenty years have given bipartisan support to foreign aid. Yet, critics feel that the United States is "trying to do too much for too many too soon, that we are over-extended in resources and under-compensated in results, and that no end of foreign aid is either in sight or in mind." A great number of critics regard aid as necessary but temporary and believe that in time aid to certain countries can be phased out as they reach economic viability. When proponents refer to the successes of past programs, critics argue that, in respect to the Marshall Plan, for example, the conditions which contributed to previous successes are not present in the under-developed countries. Therefore, they contend that such comparisons are not valid.


26 U.S. Foreign Aid, p. 95.

27 Legislative Analysis. The Proposed Foreign Assistance Act of 1963, 88th Congress, First Session,
In respect to the Communist threat and military aspects of the question, opponents of foreign aid maintain that the United States should concentrate on building up only its own economy and military strength. They view the proliferation of weapons in the world through military aid as a danger to peace.28 Supporters argue, however, that the national interest of the United States can best be served by friendly countries which are capable of countering military threats. Secretary of State Dean Rusk has expressed their attitude:

I don't find that I have to make too much of an argument away from Washington, in the local communities, on the question as to whether or not they are willing to pay three or four cents of their Federal tax dollar for foreign aid to try to get this job done in the world without committing these men to combat that we have stationed all over the world.29

In another vein, supporters point out that up to the early 1960's Soviet aid was steadily increas-


ing. Furthermore, Soviet aid is given on a long-term basis and is not subject to the hazard of annual legislative renewal.\textsuperscript{30} However, critics who view aid as temporary, favor such aid being given on a year-to-year basis. Opponents also argue that foreigners dislike being under obligation to the United States and become resentful. These critics object to giving aid to countries which are neutral or which have opposed us.\textsuperscript{31} Rather than believing that aid should be given to gain friends for this country, supporters feel that aid contributes to stopping the spread of Communism by achieving political stability and economic viability in many countries, whether they are allies or neutrals.

The assumption that aid will promote rapid economic growth and political stability is challenged by critics who emphasize that economic development is an extremely long and difficult process. Among other problems these countries suffer from a constantly increasing population which sometimes outstrips economic growth.\textsuperscript{32} Critics further believe that recip-

\textsuperscript{30} John W. Gardner, \textit{To Turn the Tide}, p. 155.
\textsuperscript{31} The Scope and Distribution of United States Military and Economic Assistance Programs, p. 3.
\textsuperscript{32} Ibid., p. 2.
ient countries must carry out more self-help measures and internal reforms in order that aid can accomplish developmental goals. In contrast, supporters hold that it is no longer possible for the weaker countries to maintain their independence without assistance from the stronger Free World nations. These people favor developmental aid for an indefinite period because they believe that rising expectations in the developing nations will continue and that it is the responsibility of the United States to assist in such a way that the revolution is one of freedom and progress. Furthermore, defenders assert that as long as some economic progress is being made, the task is not hopeless. At hearings before the Senate Foreign Relations Committee, Senator J. William Fulbright stated that, "Contrary to a common impression, economic growth in the less developed world as a whole since 1950 has been at an unprecedented rate of 4.2 per cent per year ....."33

Other critics fear that the new businesses and industries created in other countries as a result of foreign aid will eventually lead to substantial competition with the U.S. producers on the world

33 U.S. Congressional Record, p. 4084.
market. At the same time proponents cite the more than 500,000 jobs and the over $100 million in profits from goods sent abroad under the various programs. In addition, they point to another benefit to the domestic economy, that of helping to dispose of surplus commodities under Public Law 480. Increasing concern over the contribution of foreign aid to the persistent deficits in the U.S. balance-of-payments has led to the charge that the deficit could be erased by eliminating foreign aid. Supporters counter with the facts which show that over 80 per cent of the total of aid goods represents the sale of U.S. goods and services, not dollar outflow. Consequently, aid is a small and steadily decreasing factor in the balance-of-payments situation. In the long-run, they contend, it may help the problem as more foreign markets resulting from aid develop for U.S. products.

Some critics believe that other Free World nations are not carrying their share of the foreign assistance burden. Defenders view foreign aid as the

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35 Ibid., p. 89.
36 The AID Program, p. 324.
37 Norman Jacobs, Great Decisions 1964, pp. 79-80.
opportunity to coordinate the resources of all the countries of the Free World and thereby present a strong united front against the forces that would undermine them individually. Critics, on the other hand, point to the problem of coordinating such an effort. Yet, supporters point to the fact that each year more countries of the Free World are giving aid and in steadily increasing amounts. Many people support foreign aid for humanitarian reasons. Nevertheless, critics point to domestic needs and ask that charity begin at home.

The foregoing illustrates the two approaches to the subject, the two groups of people which are diametrically opposed to each other on the issue. Those who favor a policy of giving foreign aid emphasize the accomplishments of previous programs and now point to the advances being made by the current one. They cite the facts that the organization and administration of aid is much more efficient today and that aid is concentrated in only those countries which can progress most quickly and which exert the greatest amount of self-help. Despite these arguments, a number of critics maintain that giving foreign aid is like

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38 The Scope and Distribution of United States Military and Economic Assistance Programs, pp. 2-3.
"pouring money down a rathole." Such people are convinced that the money spent is wasted. They charge that a foreign aid program only creates more government jobs and gives the Department of State greater influence in foreign policy matters.
CHAPTER II

CHANGES IN FOREIGN AID POLICY

1. Introduction

The purpose of this chapter is to document policy changes in ten aspects of the foreign assistance program in the post World War II period.

(1) One change is the creation of a centralized agency which is responsible for all economic aid. This new agency is the most recent of a proliferation of agencies. It has replaced a haphazard arrangement in which several departments and agencies were in charge of separate and sometimes over-lapping functions.

(2) The basic purpose of foreign aid has gradually evolved from achieving limited political and military objectives to striving toward long-range development goals.

(3) Another change of great significance is that from requiring of recipient countries little more than token loyalty to obligating them to specific commitments. Now, recipient countries are required to formulate development plans, carry out internal reforms, and show efforts toward self-help.
(4) Of considerable consequence is the shift in geographic distribution of aid from Europe to primarily Asia and Latin America.

(5) Also, aid is now concentrated in ten of the more than ninety countries which receive some form of aid.

(6) Furthermore, aid is now given primarily as economic assistance instead of military aid.

(7) It is now in the form of predominantly loans rather than grants.

(8) Another change, made in just the last four years, is long-term appropriations for loans.

(9) Also, the Peace Corps now adds the vital element of human resources to bridge the gap between technical assistance and unskilled nationals.

(10) There are increased benefits to the domestic economy. These are in the forms of more jobs, greater demand for certain products, creation of more foreign markets, and disposal of some agricultural surplus commodities.

These ten changes in foreign aid policy are dealt with in separate sections of this chapter. The coverage of each shift in policy is essentially historical in nature. The last section presents a brief analysis of the relationship between the policy changes and public
opinion and offers some conclusions.

2. Administration of the Program

A proliferation of administrative organizations plagued the foreign aid program from World War II until 1961. The Agency for International Development (AID), established in 1961, is the most recent of eight major foreign aid agencies. President John F. Kennedy stated in his message to Congress on foreign aid, March 24, 1961:

For no objective supporter of foreign aid can be satisfied with the existing program—actually a multiplicity of programs. Bureaucratically fragmented, awkward and slow, its administration is diffused over a haphazard and irrational structure covering at least four departments and several other agencies.¹

From 1949 until 1961, the organization of foreign assistance programs has gone through a series of changes; the results have been new initials and usually only minor differences in organizational concept.² The report of a series of task forces set up by President Kennedy to study the entire foreign assistance program recommended the creation of one


centralized agency.

On the basis of these recommendations, President Kennedy proposed in March, 1961, that Congress create one centralized aid organization (to be known as the Agency for International Development, AID),

... which would embrace the present Washington and field operations of: (a) the ICA and all its technical assistance and other programs; (b) the DLF; (c) P.L. 480 in its relations with other countries; (d) the local lending activities of the Export-Import Bank; (e) the Peace Corps; (f) the donation of non-agricultural surpluses; and (g) all other related staff and program services provided by the Department of State as well as the ICA. 3

Primary responsibility for operations was shifted from functional offices to geographical offices. Four regional bureaus representing Latin America, Europe and Africa, the Near East and South Asia, and the Far East were established, each headed by an assistant administrator responsible directly to the Administrator of the Agency. 4


4Report to the Congress on the Foreign Assistance Program for the Fiscal Year 1962. Prepared under the direction of the Administrator of the Agency for International Development with the cooperation and participation of the Department of State and the
The centralization and coordination of foreign assistance under AID is in marked contrast to each of the previous aid agencies. The Institute of Inter-American Affairs, created in 1942, was responsible for only technical assistance to Latin America. The Economic Cooperation Administration was established in 1948 to administer the European Recovery Program and other programs. In 1950, the Technical Cooperation Administration was formed to carry out technical assistance under the Point Four program. Its activities were transferred in June, 1953, to the newly created Mutual Security Agency. Two months later all the functions of MSA were transferred to the new Foreign Operations Administration. This agency, in turn was superseded by the International Cooperation Administration in July, 1953, which was authorized to begin an economic development assistance program for certain under-developed countries. To permit long-term lending at reasonable rates of interest to countries engaged in economic development programs, the Development Loan Fund was created in 1957. The last of eight foreign


aid agencies is the Agency for International Development of 1961.

3. Objectives

The ultimate objectives of foreign aid have evolved with each different program from 1947 to 1961. However, until 1961, the objectives in each instance were limited and short-range. The goal of European economic integration under the Marshall Plan was the only objective which had long-range implications even though assistance was for only four years. An abrupt change took place in 1961. In March of that year President Kennedy declared in a speech before Congress:

Money spent to meet crisis situations or short-term political objectives, while helping to maintain national integrity and independence, has rarely moved the recipient nation toward greater economic stability .... 6

He went on to explain that only progress toward economic development and eventual self-sustaining growth could assure the continued independence of under-developed countries, U.S. national security and prosperity, and the maintenance of freedom when challenged by the Communist World.

President Kennedy was the first to call for a

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6John F. Kennedy, quoted in John W. Gardner, To Turn the Tide, p. 145.
change in the objectives of foreign aid from short-run objectives to long-term goals. In 1963, AID reported:

The share of foreign aid funds that goes to promote long-term economic and social development, rather than short-run stability and security, has increased steadily for the past ten years.7

The increasing percentage of development loans in comparison to grants and the steady decrease in the amount spent for military aid both testify to this change in policy objectives to long-range development and economic growth. Furthermore, the policy section of the Foreign Assistance Act of 1963, for example, provides that

... every possible precaution should be taken to prevent the use of economic development aid funds for short-term emergency purposes or any other purpose not essential to the long-range economic development of recipient countries.8

To facilitate the achievement of these long-range goals, a detailed statement is now required with each request for authorization of aid funds by the Administration. This statement must set forth the purpose,


objectives, and priorities of each program so that it can be evaluated in terms of long-range development objectives. The objectives of the Marshall Plan, aid to Greece and Turkey, and other aid programs were short-range and temporary. Now, in contrast, there has clearly been a major shift in policy objectives. This change from limited objectives to the long-range goal of economic development underlies the foreign assistance program of this decade.

4. Requirements

A significant shift in foreign aid policy resulted from a change involving the imposition of conditions. Today the United States insists on the formulation of long-range development plans, the undertaking of internal reforms, and the exerting of self-help measures by each recipient country. The conditions of the Marshall Plan were the first evidence of the United States requiring such obligations of recipient countries. Secretary of State George Marshall declared that:

U.S. economic aid must not be on a piecemeal basis as various crises develop, but must be based on a regional plan drawn up by the

9Ibid., p. 4.
European countries themselves.\textsuperscript{10} Europe organized to develop such a plan, commit itself to self-help measures, and obtain domestic investment and government appropriations for the purpose of economic rehabilitation. However, after 1952, such stringent requirements were not asked of other recipient countries. Only limited conditions were such as the guarantee not to use American military aid against the United States and her allies and not to use such aid to support Communist aggression.

The Foreign Assistance Act of 1961 restored the more stringent qualifications earlier required of the Marshall Plan countries. President Kennedy emphasized this change in his message to Congress on foreign aid in March, 1963:

\begin{quote}
If we encourage recipient countries to dramatize a series of short-term crises as a basis for our aid, instead of depending on a plan for long-term goals, then we will dissipate our funds, our good will, and our leadership. Nor will we be any nearer either to our security goals or to the end of the foreign aid burden.\textsuperscript{11}
\end{quote}

Programming during the 1950's had been on an individual project basis. Experience had demonstrated the

\textsuperscript{10}H. J. P. Arnold, \textit{Aid for Developing Countries}, p. 29.

\textsuperscript{11}John F. Kennedy as quoted by John W. Gardner in \textit{To Turn the Tide}, p. 148.
need for an approach based on carefully constructed national development plans formulated by each country in cooperation with the United States.\textsuperscript{12} President Kennedy requested that Congress stipulate in the Foreign Assistance Act of 1961 that development plans, self-help, and internal reforms be required of all recipient countries. Accordingly, these obligations were made a part of the Act.\textsuperscript{13}

Not only are these three conditions required in order to receive aid, but they are also the criteria on which is based the decision of the amount of aid which each country will receive. In defending the position of the Administration before the Senate Foreign Relations Committee in 1963, Secretary of State Dean Rusk testified:

\begin{quote}
We must select those countries willing to make a major self-help effort or of such importance that our aid can significantly encourage such an effort. We must focus upon those countries in which our assistance will provide the necessary margin for growth.\textsuperscript{14}
\end{quote}

He emphasized that self-help is the most important

\begin{flushleft}
\textsuperscript{12}Report to the Congress on the Foreign Assistance Program for Fiscal Year 1962, p. 4.
\textsuperscript{13}John W. Gardner, To Turn the Tide, p. 150.
\end{flushleft}
single factor in the development process and that there must be a real commitment by the people themselves to the achievement of progress and economic development.

5. Geographic Distribution

There has been a significant change in geographic distribution of foreign aid since 1948. The Marshall Plan, the first major foreign aid program, was focused almost exclusively on Europe. As the countries in Europe recovered their economic strength and ability to support their own defense efforts, foreign aid gradually shifted during the mid-1950's to the Far East and South Asia. With the Alliance for Progress, established in 1961, Latin America became another focus for foreign aid. Secretary of State Dean Rusk, testifying before the Senate Foreign Relations Committee in 1964, stated:

The countries of Western Europe and Japan—a total of 14—were once major recipients of economic assistance. They now receive no such aid from the United States, have become growing, prosperous nations, and have foreign aid programs of their own.

From 1954 until 1959, the Far East received steadily

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15 *Principles of Foreign Economic Assistance*, p. 2.

increasing proportions of military aid coupled with economic assistance. As of 1959, the geographic distribution of foreign aid reveals that Asia and Latin America receive over three-quarters of the total foreign aid given by the United States.\textsuperscript{17}

The change from directing aid to advanced countries to giving it to the under-developed nations of primarily Asia and Latin America can be shown statistically.\textsuperscript{18} The figures in Table 1, which appears on the following page, indicate a profound drop in the total amounts appropriated for Europe from 1949 to 1964, as compared to Asia, Africa, and Latin America. Countries of the Far East, Near East, and South Asia were the first to be included in the shift in distribution. Since 1953, these regions have consistently received the largest portion of the foreign aid expenditures. Latin America receives the second largest amount now. In fiscal year 1965, no economic aid will be given to European countries. The change in geo-


### TABLE 1

**TREND OF A.I.D. AND PREDECESSOR AGENCY EXPENDITURES***

**BY APPROPRIATION CATEGORY OF ASSISTANCE**

By Fiscal Year Periods, 1949-1964

(Thousands of Dollars)

<table>
<thead>
<tr>
<th>REGION</th>
<th>Marshall Plan Period</th>
<th>Mutual Security Act Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUROPE</td>
<td>11,493,847 3,137,422</td>
<td>117,553 127,879 78,174 111,463</td>
</tr>
<tr>
<td>LATIN AMERICA</td>
<td>10,182 187,096</td>
<td>64,538 86,789 95,997 118,873</td>
</tr>
<tr>
<td>FAR EAST, NEAR EAST, ASIA</td>
<td>1,418,766 4,871,520</td>
<td>1,068,002 1,099,206 1,139,028 1,138,132</td>
</tr>
<tr>
<td>AFRICA</td>
<td>2,132 66,442</td>
<td>40,702 80,855 147,291 178,525</td>
</tr>
<tr>
<td>GRAND TOTAL</td>
<td>13,117,489 8,865,507</td>
<td>1,438,601 1,529,840 1,619,823 1,800,669</td>
</tr>
<tr>
<td>Per Cent of Total to Europe</td>
<td>87.6% 35.4%</td>
<td>8.2% 8.3% 4.8% 6.1%</td>
</tr>
</tbody>
</table>

TABLE 1--Continued

<table>
<thead>
<tr>
<th>REGION</th>
<th>Foreign Assistance Act Period</th>
<th>Total 1949-1964</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1962</td>
<td>1963</td>
</tr>
<tr>
<td>EUROPE</td>
<td>93,051</td>
<td>36,513</td>
</tr>
<tr>
<td>LATIN AMERICA</td>
<td>285,413</td>
<td>316,138</td>
</tr>
<tr>
<td>FAR EAST, NEAR EAST, ASIA</td>
<td>1,036,338</td>
<td>1,345,396</td>
</tr>
<tr>
<td>AFRICA</td>
<td>200,258</td>
<td>157,121</td>
</tr>
<tr>
<td>GRAND TOTAL</td>
<td>1,830,935</td>
<td>2,031,214</td>
</tr>
<tr>
<td>Per Cent of Total to Europe</td>
<td>5.0%</td>
<td>1.7%</td>
</tr>
</tbody>
</table>
graphic distribution of foreign aid from the advanced countries of Europe to the under-developed countries of Asia and Latin America has been completed.

6. Geographic Concentration

From 1952 until 1960, foreign aid lacked geographic focus. It was characterized for about ten years by wide disbursement and spasmodic concentration due to occasional crises. With the change in purpose to economic development, it became necessary for this country to establish more strict criteria on which to base the amount of aid given to each country. The most prominent moves in the direction of greater selectivity began in 1961. President Kennedy recommended a concentration of aid on those few countries which could absorb large amounts, exert the greatest self-help efforts, and were closest to economic self-sustained growth. This is now the policy of the United States in giving aid.¹⁹

The results of this policy change show a considerable concentration of each type of aid on a very limited number of countries. At present, over ninety

¹⁹John W. Gardner, To Turn the Tide, p. 146. For more details of the President's views and recommendation, see his address to Congress on foreign aid in March, 1961.
countries receive some type of aid. However, in respect to the geographic concentration of aid, David E. Bell, Director of the Agency for International Development, estimated that in FY 1964:

- 20 countries received 80 per cent of total economic aid,
- 10 countries received 80 per cent of total military aid,
- 6 countries received 80 per cent of development loan funds,
- 6 countries of Latin America received 80 per cent of Alliance for Progress loans, and
- 7 countries received 80 per cent of supporting assistance.²⁰

FIGURES 1 and 2 which appear on the following pages indicate the concentration of total aid in FY 1964. Ten countries received 72 per cent of all aid given.²¹

This shift in policy is even more evident in the disbursement of aid appropriated for FY 1965. Mr. Bell stated that plans called for 78 per cent of all aid to be concentrated in twenty-five countries. These countries were divided into three categories:

²⁰Foreign Assistance Act of 1963, p. 574.
FIGURE 1

A.I.D. OBLIGATIONS AND LOAN AUTHORIZATIONS DURING FISCAL YEAR 1964*

DIVISION OF COUNTRY AID

Total $1,968 Million*

*Excludes $284 million non-regional and other aid not identified with particular countries.

FIGURE 2
A.I.D. OBLIGATIONS AND LOAN AUTHORIZATIONS
DURING FISCAL YEAR 1964*

TEN LARGEST AID RECIPIENTS IN FY 1964
(Millions of Dollars)

<table>
<thead>
<tr>
<th>Country</th>
<th>Amount (Millions of Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>344</td>
</tr>
<tr>
<td>Pakistan</td>
<td>236</td>
</tr>
<tr>
<td>Brazil</td>
<td>179</td>
</tr>
<tr>
<td>Viet Nam</td>
<td>166</td>
</tr>
<tr>
<td>Turkey</td>
<td>132</td>
</tr>
<tr>
<td>Korea</td>
<td>109</td>
</tr>
<tr>
<td>Colombia</td>
<td>79</td>
</tr>
<tr>
<td>Chile</td>
<td>79</td>
</tr>
<tr>
<td>Bolivia</td>
<td>58</td>
</tr>
<tr>
<td>Nigeria</td>
<td>46</td>
</tr>
</tbody>
</table>

Group 1. Seven countries which have fully effective development programs underway, are fully committed to the development process, and are mobilizing their own resources effectively will receive 50 per cent.

Group 2. Eleven countries are to receive qualified development support amounting to 17 per cent of the total.

Group 3. Seven countries, which are security cases in which basic internal security must be achieved first, will receive 11 per cent.  

President Johnson made a statement in 1964 which expresses the official view toward geographic concentration of foreign aid:

In this program we do not seek to cover the whole world. Aid on a worldwide scale is no part of our purpose. We seek instead, through prudent and responsible programs, to help carefully selected countries whose survival in freedom is essential, and whose collapse would bring new opportunities for Communist expansion.

The selection of countries is based on their

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23Message from The President of the United States, transmitting Recommendations Relative to Foreign Assistance to the House of Representatives, 88th Congress, 2nd Session, Document No. 250 (Washington,
level of development. In the primary group there are about thirty countries which show evidence of advancement and concerted efforts of self-help. Their prospects for solid and lasting development are good. Only about eleven per cent of all U.S. economic aid funds goes to the forty-seven countries in the second group of countries in which development is in its early stages. There, large amounts of capital aid could not be absorbed usefully for many years. Very few countries fall into the third group which is comprised of those countries which receive aid only to strengthen their internal security or to stave off a Communist threat. 24

It is anticipated that there will be a gradual phasing out of aid to certain countries as they achieve economic viability. The high degree of selectivity and concentration of aid has enabled Director Bell to name six countries which are expected to achieve economic viability by 1968: Taiwan, Greece, Israel, Mexico, Venezuela and the Philippines. He names India, Pakistan, Nigeria and Colombia as making

very substantial progress toward self-sustaining eco-
nomic growth.25 Senator J. William Fulbright stated in January, 1965, that seventeen countries have moved from the need for foreign aid to self-support. The economic aid programs have been ended in fifteen European countries, Japan and Lebanon. The need for U.S. foreign aid is drawing to a close in fourteen countries of Asia, Africa, and Latin America.26 Supporting assistance was terminated in sixteen countries in FY 1964.27

7. Military and Economic Aid

One of the most profound changes in foreign aid policy has been the shift in emphasis from military aid to predominantly economic aid. Beginning in the late 1940's and continuing through the 1950's, one of the means by which the United States sought to contain Communism was through expanding military aid. Also, economic assistance, which made it possible for certain less-developed countries to concentrate on

25 Ibid., p. 75.
defense build-ups, was emphasized. The Cold War thus served to give foreign aid a military orientation. The Korean conflict heightened the military emphasis in foreign aid and it was not until the late 1950's that the threat of Communist aggression subsided. By 1963 aid to increase military strength and to bolster economies of the countries around the periphery of the Communist Bloc had been cut by more than one-third. This new policy of reducing the amount of military aid was adopted toward recipient countries around the world. The figures and percentages shown in Table 2 and Table 3 clearly reveal the change. The exceptions are FY 1963 and FY 1964 appropriations which are both indicative of an opposite trend and of cuts made by Congress in the total amounts appropriated.

8. Grants and Loans

A significant change in the form of aid has been the steadily increasing percentage of loans as

28 H. J. P. Arnold, Aid for Developing Countries, p. 39.

29 Foreign Assistance Act of 1962, p. 3.

30 See Ibid., p. 18, and Operations Report, pp. 53-57. The dollar figures are given in the publication as presented here. The percentages, however, are based on those figures and were calculated only for this study.
### TABLE 2

**FOREIGN ASSISTANCE ACT PROGRAM APPROPRIATIONS***

(Millions of Dollars)

<table>
<thead>
<tr>
<th>U.S. Fiscal Years</th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>14,536</td>
<td>22,190</td>
<td>6,885</td>
<td>5,831</td>
<td>5,195</td>
<td>5,598</td>
<td>5,421</td>
<td>5,371</td>
<td>5,735</td>
<td>5,217</td>
<td>5,880</td>
<td>6,611</td>
<td>3,929</td>
<td>3,489</td>
</tr>
<tr>
<td><strong>Economic</strong></td>
<td>14,055</td>
<td>19,351</td>
<td>2,613</td>
<td>2,419</td>
<td>2,686</td>
<td>2,620</td>
<td>3,287</td>
<td>2,967</td>
<td>3,574</td>
<td>3,372</td>
<td>4,426</td>
<td>5,084</td>
<td>2,604</td>
<td>2,289</td>
</tr>
<tr>
<td><strong>Military</strong></td>
<td>481</td>
<td>2,839</td>
<td>4,272</td>
<td>3,412</td>
<td>2,509</td>
<td>2,979</td>
<td>2,134</td>
<td>2,404</td>
<td>2,160</td>
<td>1,845</td>
<td>1,454</td>
<td>1,526</td>
<td>1,325</td>
<td>1,200</td>
</tr>
<tr>
<td><strong>Per Cent</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Economic of the Total</td>
<td>96.7</td>
<td>87.2</td>
<td>37.9</td>
<td>41.5</td>
<td>51.6</td>
<td>46.8</td>
<td>50.5</td>
<td>55.2</td>
<td>62.3</td>
<td>64.6</td>
<td>75.2</td>
<td>76.9</td>
<td>66.2</td>
<td>65.6</td>
</tr>
</tbody>
</table>

## TABLE 3

FOREIGN ASSISTANCE ACT PROGRAM EXPENDITURES*

(Millions of Dollars)

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>-</td>
<td>15,627</td>
<td>6,048</td>
<td>4,809</td>
<td>4,530</td>
<td>4,638</td>
<td>3,708</td>
<td>3,802</td>
<td>3,640</td>
<td>3,338</td>
<td>3,175</td>
<td>3,279</td>
<td>2,032</td>
<td>1,976</td>
</tr>
<tr>
<td>Economic</td>
<td>-</td>
<td>13,110</td>
<td>1,889</td>
<td>1,513</td>
<td>2,135</td>
<td>1,711</td>
<td>1,623</td>
<td>1,439</td>
<td>1,530</td>
<td>1,620</td>
<td>1,801</td>
<td>1,831</td>
<td>1,528</td>
<td>1,598</td>
</tr>
<tr>
<td>Military</td>
<td>-</td>
<td>2,517</td>
<td>4,159</td>
<td>3,296</td>
<td>2,396</td>
<td>2,928</td>
<td>2,085</td>
<td>2,363</td>
<td>2,110</td>
<td>1,718</td>
<td>1,374</td>
<td>1,448</td>
<td>504</td>
<td>378</td>
</tr>
<tr>
<td>Per Cent of the Total</td>
<td></td>
<td>83.8</td>
<td>31.2</td>
<td>31.4</td>
<td>47.1</td>
<td>36.9</td>
<td>43.8</td>
<td>37.8</td>
<td>42.0</td>
<td>48.5</td>
<td>56.7</td>
<td>56.1</td>
<td>75.2</td>
<td>84.9</td>
</tr>
</tbody>
</table>

compared to grants. As an indication of this shift in emphasis, the statistics in FIGURE 3 reveal that the amount of loans increased from one per cent to sixty-two per cent of the total aid commitments from FY 1953 to FY 1964.\textsuperscript{31} During the Marshall Plan period loans amounted to only eleven per cent of the total commitments from 1949 to 1952.\textsuperscript{32} As late as 1957, four-fifths of all aid funds were in the form of grants. However, in FY 1964, development loans made up three-fifths of all aid funds.\textsuperscript{33} Several reasons account for this change in emphasis from grants to loans. During the first year of President Kennedy's Administration, efforts to reduce a persistently unfavorable balance-of-payments may have been a factor which served to encourage the shift from grants to loans.\textsuperscript{34}

Another major argument in favor of giving a greater percentage of loans than grants is that repayable loans tend to make the recipient governments more frugal. The politics of foreign aid in the United

\begin{itemize}
\item \textsuperscript{31}Operations Report, p. 5.
\item \textsuperscript{32}Ibid., p. 6.
\item \textsuperscript{33}Charles A. Cerami and Arthur Gordon, "The Pro's and Con's of Foreign Aid," Woman's Day, March, 1965, p. 60.
\item \textsuperscript{34}See pages 53-56.
\end{itemize}
FIGURE 3
LOANS AS PERCENT OF TOTAL COMMITMENTS BY A.I.D.
AND PREDECESSOR AGENCIES, FY 1949-1964*

<table>
<thead>
<tr>
<th>MARSHALL PLAN PERIOD</th>
<th>MUTUAL SECURITY ACT PERIOD</th>
<th>FOREIGN ASSISTANCE ACT PERIOD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1949-1952</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1953</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1954</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1955</td>
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<tr>
<td>1956</td>
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<td>1960</td>
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<tr>
<td>1961</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1962</td>
<td>53</td>
<td></td>
</tr>
<tr>
<td>1963</td>
<td>57</td>
<td></td>
</tr>
<tr>
<td>1964</td>
<td>62</td>
<td></td>
</tr>
</tbody>
</table>

States, however, was the primary factor responsible for the change from grants to loans. It was also argued that the giving of grants tends to make the people of recipient countries feel under too much obligation to the United States. Loans, in contrast, tend to strengthen a sense of self-respect and adequacy for these people.

9. Length of Appropriations

For the first time in the history of foreign aid, the United States Congress passed in 1961 a long-term authorization for loans and a ten-year commitment to the Alliance for Progress. Before the passage of the Foreign Assistance Act of 1961, President Kennedy urged before Congress:

A program based on long-range plans instead of short-run crises cannot be financed on a short-term basis. Long-term authorization, planning, and financing are the key to the continuity and efficiency of the entire program. If we are unwilling to make such a long-term commitment, we cannot expect any increased response from other potential donors or any realistic planning from the recipient nations.\(^ \text{35} \)

Congress agreed that uneven and undependable short-term financing had served to weaken the incentive for long-term planning and self-help by recipient nations.

\(^ {35} \)John F. Kennedy as quoted in John W. Gardner, *To Turn the Tide*, p. 15.
Congress herein recognized the limitations involved in nations having to design projects to match the rhythm of the U.S. fiscal year. Clearly, a new approach in authorizations was needed in order to coincide with the new objectives and to correct previous defects in foreign aid policy.

Accordingly, the Foreign Assistance Act of 1961 authorized a five-year program of long-term development lending. The Act stipulated:

Subject only to annual appropriations and to criteria stated in the law, commitments for long-term loans can be made under this authority on such terms and conditions as the President may determine.\(^36\)

The Foreign Assistance Act of 1962 provided a similar five-year authorization for loans under the Alliance for Progress.\(^37\) With economic development as the focal point of present foreign aid policy, the United States has pledged $1 billion a year throughout the current decade to the Alliance for Progress. Similarly, the United States has made long-term commitments to India and Nigeria.\(^38\)

\(^36\)Report to the Congress on the Foreign Assistance Program for Fiscal Year 1962, p. 2.

\(^37\)U.S. Congressional Record, p. 4083.

\(^38\)Norman Jacobs, Great Decisions 1964, p. 72.
10. Human Resources

Prior to the fall of 1961, foreign aid had consisted of grants, loans, material goods, and technical assistance. A grave deficiency in the foreign aid process was the lack of trained manpower in the recipient countries. President Kennedy recognized this deficiency and advocated the creation of a Peace Corps for reasons stated in his message to Congress in March of 1961:

One of the greatest obstacles to the achievement of this goal [economic and social progress] is the lack of trained men and women with the skill to teach the young and assist in the operation of development projects .... The vast task of economic development urgently requires skilled people to do the work of the society .... 39

He went on to explain that the Peace Corps would differ from existing assistance programs in that its members would supplement technical advisers by offering the specific skills needed by developing nations if they were to put technical advice to work.

By March, 1965, there were approximately 10,000 volunteers in more than 3,000 different locations in forty-six countries. 40 Its activities in each country

39 John F. Kennedy as quoted in John W. Gardner, To Turn the Tide, p. 157.
40 U.S. Congressional Record, p. 3998.
are conducted separately from those of the Embassy and other United States agencies, but Peace Corps officials consult with the Embassy and the AID mission in the field as well as with the Department of State and AID in Washington. The Peace Corps projects and AID programs are coordinated whenever possible so as to contribute to priority goals and to avoid duplication and competition. The objectives of these activities, as stated by Congress, are:

To help the peoples of interested countries and areas in meeting their needs for trained manpower, and to help promote a better understanding of the American people on the part of the peoples served and a better understanding of other peoples on the part of the American people.

These objectives relate to the middle level of manpower between highly skilled technical experts and the predominantly unskilled population of most of the under-developed countries.

11. Benefits to the Domestic Economy

Concern about the effects of foreign aid on the domestic economy has led to additional changes in policy. A point of concern involves the contribution of

\[^{41}\textit{Foreign Assistance Act of 1962}, \text{p. 45.}\]

\[^{42}\textit{Ibid.}\]
foreign aid to the international balance-of-payments deficit of the United States. The United States has experienced an unfavorable balance of payments since the mid-1950's. Since 1959 the size of the deficit has been mitigated by the "Buy American" drive. Under the Buy American Act, passed during the Depression, American producers are given preference in providing aid goods if their prices do not greatly exceed foreign bids. From 1960 to 1964, the U.S. suppliers' share of aid commodity purchases has increased steadily from 40 per cent to 87 per cent. FIGURES 4, 5, and 6 indicate this trend. As a result, the granting of economic aid has relatively little effect on the U.S. balance-of-payments. The deficit is being further reduced by the repayment of loans made to European countries under the Marshall Plan.

As a consequence of these developments the benefits to the domestic economy of foreign aid are now being emphasized. Not only does the tying of aid to U.S. products increase exports by over $900 million annually, but, also foreign markets for U.S. goods


\[44\] The AID Program, p. 48.
EXPENDITURES IN THE U.S. AND OTHER SOURCES AS
PERCENT OF TOTAL A.I.D. COMMODITY EXPENDITURES*

FIGURES 5 and 6

EXPENDITURES IN THE U.S. AND OTHER SOURCES AS PERCENT OF TOTAL A.I.D. COMMODITY EXPENDITURES

- PURCHASED IN DEVELOPED COUNTRIES
- PURCHASED IN DEVELOPING COUNTRIES

have expanded among countries formerly receiving U.S. assistance.\textsuperscript{45} Therefore, the foreign aid program is actually increasing exports and, thus, helping to correct the imbalance. The sale of surplus agricultural commodities under Public Law 480 has resulted in over $1 billion in sales each year since 1954.\textsuperscript{46} This program, called Food for Peace, has provided the Government with a means of helping to dispose of a sizable percentage of surplus goods. Also, a portion of the material resources given in the past few years has involved the use of surplus national stockpile materials.\textsuperscript{47}

Rather indirect and scarcely realized by the American public is a related set of benefits traceable to foreign aid. The giving of aid, for example, creates more than half a million jobs for Americans. It finances an increasing percentage of exports and builds new foreign markets. These combine to create greater profits for many Americans. Also, foreign aid makes possible the stationing of three and one-


\textsuperscript{46}Operations Report, p. 106.

\textsuperscript{47}Report to the Congress on the Foreign Assistance Program for Fiscal Year 1962, p. 52.
half million allied troops along the Communist periphery at one-tenth of the cost of maintaining a comparable number of American soldiers.\textsuperscript{48} One can conclude that foreign aid is contributing significantly to economic prosperity in the United States as well as in the recipient countries.

12. Conclusion

It is contended in this thesis that many criticisms of foreign aid policy made by the American public have already been met by one or more of the ten policy changes. For example, the charge that foreign assistance is poorly administered must now take account of the centralization of aid administration in the Agency for International Development. The current long-range development goals serve as a reply to those who criticize aid as stop-gap measures intended only to win friends for the United States. Another indictment against foreign aid policy holds that it is wasted because the people in recipient countries do not help themselves and misuse the aid. New American aid policy, however, now requires recipient countries to formulate development plans, institute internal

\textsuperscript{48}Allan Nevins, \textit{The Burden and the Glory}, p. 145.
reforms, and carry out self-help measures. The shift in geographic distribution of aid from Europe to Asia and Latin America primarily and the concentration of aid in ten countries both meet the attacks of those who believe aid is given indiscriminately and that too much is being attempted for too many too soon. Critics who blame the balance-of-payments deficit on foreign aid are unaware of or disregard some pertinent facts. Statistics show that exports in 1964 were increased by one-eighth, approximately 500,000 jobs are created for the production of aid goods, and actually foreign aid has little effect on the balance-of-payments deficit. These are only a few examples of how criticisms of foreign aid can be viewed in relation to policy changes.

In order to determine the relationship between public opinion and changes in foreign aid policy, the next chapter deals with national opinion surveys. Presented will be the results of survey questions which correspond to the policy changes cited and attitudes toward foreign aid in general. An attempt will be made to explore the relationship between survey results and policy changes. The purpose is to evaluate public awareness and understanding of policy changes and, in that way, determine their impact on
public opinion and the possible effects of opinion on the formulation of foreign aid policy.
CHAPTER III

NATIONAL SURVEYS OF PUBLIC OPINION

The purpose of this thesis is to determine the relationships between changes in foreign aid policy and public opinion. In order to examine these relationships, as a first step, the policy changes have been identified. The next step is to trace the course of public opinion, as measured in national surveys, toward those aspects of foreign aid policy which have undergone changes. The impact of changes on public opinion and the possible effects of opinion on policy changes are examined in each instance.

The surveys cited in this chapter were conducted by two major polling institutions, the American Institute of Public Opinion (AIPO, Gallup Poll) and the National Opinion Research Center (NORC). Two sources of survey data have been used. One is an occasional report published by the National Opinion Research Center which gives a summary and analyses of surveys made from 1943 to 1957. The other source is copies of survey results and cross-tabulations from the Roper Public Opinion Research Center which has statistics on file of surveys made from 1953 to 1963, which include questions concerning foreign aid. The
people interviewed represent a cross-section of adult Americans.¹

Approximately four out of five Americans voice relatively internationalist opinions and attitudes on general continuing aspects of foreign relations. In respect to foreign aid, however, there has been a persistent view on the part of the American public that it is a temporary policy.² During World War II, Americans almost unanimously recognized the need for aid in some countries after the war. In October, 1947, a poll revealed that 78 per cent of the people interviewed approved of measures designed to give immediate assistance and relief to the nations of Europe.³

From 1948 through 1952, the results of seventeen

¹The samples in each survey include persons twenty-one years of age or older, resident within the continental United States, civilian, non-institutional population. Both men and women were interviewed. The levels of education range from no schooling to completion of a college education. The occupations include: professional, semi-professional, farmers, farm managers, proprietors, managers, officials, clerical, sales, craftsmen, foremen, and kindred workers, operatives, service workers, farm laborers, laborers, except farm and mine, retired, unemployed, pensioner, housewife, married women, and student.


national surveys revealed that approximately two-thirds of the people interviewed approved of the Marshall Plan, were satisfied with it, and felt that it was a good idea.\(^4\) Public opinion regarding the continuance of foreign aid is somewhat divided. Generally speaking, Americans have expressed impatience over the fact that the tasks confronting foreign aid have not yet been completed. Ultimately, many people are impatient because faster progress is not being made. In 1958, a trend in attitudes was indicated when only 50.8 per cent of the people interviewed by AIPO favored foreign aid. In the same poll, 32.7 per cent were against foreign aid.\(^5\) Although apparently there was still one-third of the respondents who were against foreign aid, supporters dropped from two-thirds to one-half of the total interviewed in each of eighteen surveys during a ten-year period. Nevertheless, other survey results show that a considerable number of peo-

\(^4\)Ibid., p. 9.

\(^5\)AIPO, Survey #596, March 4, 1958. The Roper Public Opinion Research Center, xerox reproductions of the results and cross-tabulations of national opinion surveys conducted from 1953 through 1963, by the American Institute of Public Opinion (AIPO) and the National Opinion Research Center (NORC), which are on file at Roper, Williams College, Williamstown, Massachusetts, (May, 1965). Hereinafter, individual surveys cited are from statistics on file at Roper Public Opinion Research Center.
ple feel that if aid were stopped, the possibility of a country turning Communist would be increased. Also, many people have indicated that they believe foreign aid was the key factor in the recovery of Europe from World War II.

A matter of particular concern to many people and one of the points of contention in Congress each year when it considers a new foreign aid bill is the total amount to be appropriated. NORC, in 1957, asked respondents if they felt the amount being spent for foreign aid was too much, not enough, or about right. While 48 per cent were satisfied with the total amount spent, 37 per cent of the people interviewed believed that too much was being spent for foreign aid. The fact that over one-third of the total respondents felt that the amount should be cut may account for a considerable number of the critics of foreign aid. Whether such critics favor merely reducing the amount spent on foreign aid, or favor eliminating the program is unclear from the results presented here.

In 1956 and 1957, NORC asked people if they thought it would be a good idea or a bad idea to put economic aid on a long-term continuing basis with the

---

6NORC Survey #156/404, April, 1957.
United States agreeing to contribute for a period of years. Table 4 shows the results of those surveys. Even though more respondents favored long-term appropriations in 1957 than in 1956, in both years less than a majority of the people supported the idea. In fact, over one-half of the respondents believed that it is a bad idea.

Perhaps people have been reluctant to support a policy of appropriating some foreign aid for longer than one year at a time because of certain apprehensions. Although the point was not tested explicitly in the survey, it could be that people feel the United States might lose too much control over foreign aid if it made long-term commitments. Others may feel apprehensive about trusting recipient countries to remain stable for any longer than one year at a time. When the surveys were made, the majority opinion was, in effect, an endorsement of the prevailing policy of annual appropriations. Yet, despite the apparent lack of widespread public support, Congress, in 1961, passed a five year appropriation for development loans. In addition, Congress committed itself to contribute approximately twenty billion dollars during the decade of the 1960's to Latin America under
### TABLE 4

<table>
<thead>
<tr>
<th></th>
<th>Good Idea</th>
<th>Bad Idea</th>
<th>Don't Know</th>
<th>No Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1956 7</td>
<td>25%</td>
<td>65%</td>
<td>10%</td>
<td></td>
</tr>
<tr>
<td>1957 8</td>
<td>39.1%</td>
<td>51.5%</td>
<td>9.2%</td>
<td>.2%</td>
</tr>
</tbody>
</table>

7NORC Survey, #150/382, January 26, 1956.
8NORC Survey, #156/404, April, 1957.
the Alliance for Progress.⁹ Evidently Congress was not affected in its decisions by what may be regarded as a lack of support by the majority of people for such a policy.

In another point tested in the surveys, most people indicated support for giving aid to underdeveloped countries to raise their standards of living. The survey results of Table 5 show that support for giving aid to such countries has increased during a six-year period from 72 per cent to 79 per cent. The increase in the percentage of respondents who favor aid to underdeveloped countries is evidence of the steady decline of isolationist sentiments in the United States. Furthermore, it indicates a willingness to have the United States play a major role in achieving economic development throughout the world. Because of this strong feeling in favor of giving aid to underdeveloped countries, it may be that the Kennedy Administration was encouraged to make the recommendations which it did in this respect in 1961. Also, congressional support of the Foreign Assistance Act of 1961 may have been strengthened. Furthermore, this public support of aid to under-developed coun-

⁹Supra, pp. 49-50.
"In general, do you think it is a good policy for the United States to try to help backward countries in the world to raise their standard of living, or shouldn't this be any concern of our government?"

<table>
<thead>
<tr>
<th>Date</th>
<th>Good Policy to Help</th>
<th>No Concern of Ours</th>
<th>Don't Know</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 1949</td>
<td>72%</td>
<td>23%</td>
<td>5%</td>
</tr>
<tr>
<td>November 1959</td>
<td>75%</td>
<td>20%</td>
<td>5%</td>
</tr>
<tr>
<td>April 1950</td>
<td>73%</td>
<td>22%</td>
<td>5%</td>
</tr>
<tr>
<td>November 1950</td>
<td>62%</td>
<td>31%</td>
<td>7%</td>
</tr>
<tr>
<td>February 1952</td>
<td>69%</td>
<td>27%</td>
<td>4%</td>
</tr>
<tr>
<td>August 1952</td>
<td>73%</td>
<td>23%</td>
<td>4%</td>
</tr>
<tr>
<td>March 1955</td>
<td>79%</td>
<td>18%</td>
<td>3%</td>
</tr>
</tbody>
</table>

10 Occasional Report, p. 16.
tries parallels the new emphasis in the purpose of foreign aid. As set forth in the Foreign Assistance Act of 1961, the basic purpose is to help under-developed nations achieve long-range economic growth and viability.

There is rather conclusive evidence of what people feel should be required of recipient countries in their answers to a survey made by NORC in 1947. When asked whether or not they would favor providing sixteen to twenty billion dollars in assistance to West Europe if those countries made a real effort to get together and help themselves, 71 per cent said yes, 23 per cent, no, and 6 per cent didn't know.¹¹ The results of this survey lead to at least two conclusions when related to support of aid to under-developed countries as that policy has developed in later programs. Perhaps most of the people who favor aid to under-developed countries might also prefer that the recipients be required to formulate development plans and to help themselves. It could also be that some people would favor aid to under-developed countries only if the recipients had to meet those two requirements. It is evident that about three-quarters

¹¹Occasional Report, p. 4.
of the people interviewed should be satisfied with the changes made by the Foreign Assistance Act of 1961 requiring development plans and self-help.

A key question since World War II has been the relative importance and the proper proportions of military aid and economic aid. Although Americans approve of both, they tend to consider economic aid more important. The National Opinion Research Center examined views on this matter in a series of surveys made over a five-year period. The results shown in Table 6 bear out the conclusion that by 1956, well over a majority of the people interviewed believed that economic aid is more important than military aid. Although people indicate this preference in increasing proportions, there seems to be little difference in attitudes toward the two when people are asked where reductions should be made. Nevertheless, the growing trend of feeling that economic aid is more important than military aid is paralleled by a major shift in policy. From 1948 until 1958, over half of foreign aid was for military assistance. Since that time, economic aid has steadily increased in proportion to military aid until it became approximately twice as great as mil-

13Occasional Report, p. 15.
TABLE 6

A. "As things are now, which would you say is most important--to send them [i.e., friendly countries] economic aid like machinery and supplies, or to send them military aid like tanks and guns?"

B. "As things are now, is it more important to send our allies economic aid, like machinery and supplies, or to send them military aid, like tanks and guns?"

<table>
<thead>
<tr>
<th>Date</th>
<th>Question</th>
<th>Economic Aid</th>
<th>Military Aid</th>
<th>Don't Know</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 1951</td>
<td>A</td>
<td>51%</td>
<td>27%</td>
<td>22%</td>
</tr>
<tr>
<td>October 1951</td>
<td>A</td>
<td>52%</td>
<td>29%</td>
<td>19%</td>
</tr>
<tr>
<td>November 1951</td>
<td>A</td>
<td>49%</td>
<td>34%</td>
<td>17%</td>
</tr>
<tr>
<td>August 1952</td>
<td>B</td>
<td>45%</td>
<td>37%</td>
<td>18%</td>
</tr>
<tr>
<td>June 1956</td>
<td>B</td>
<td>71%</td>
<td>17%</td>
<td>12%</td>
</tr>
</tbody>
</table>

---

12Occasional Report, p. 15.
itary aid in FY 1964.14

With respect to the geographic distribution of aid, people were asked by AIPO in 1953, if they would approve or disapprove of a policy of giving less economic and military aid to Western Europe and more to Allies in Asia. Of the total number of people interviewed, 41.6 per cent approved, 26.1 per cent disapproved, and 24.6 per cent had no opinion.15

Although many people might favor aid to Europe for other reasons, one explanation might be that people were unaware that Europe had almost recovered from the devastation of World War II and no longer needed large amounts of aid. During the mid-1950's, there was a gradual shift in the geographic distribution of aid from Europe to Asia. Since 1961, the proportion of aid given to Latin America has also increased.16

Some critics seriously question the benefits of foreign aid to the United States. Yet, the results of surveys appear to indicate that people generally feel that the United States has benefited from giving aid. Two surveys conducted in 1945, revealed that 78 per

14 Supra, pp. 43-44.
15 AIPO, Survey #514, April 17, 1953.
16 Supra, pp. 33-37.
cent of the respondents felt that helping other countries by giving aid would increase the chances for prosperity in the United States after the war.\footnote{OCCASIONAL REPORT, p. 20.} Seventy per cent of the people interviewed in April, 1950, thought that helping backward countries would really help the United States in certain ways.\footnote{Ibid.} In 1954, the Government began to emphasize the "Buy American" plan which has involved tying most aid funds to the purchase of American products. This has resulted in more jobs and more profits for Americans. At the same time, Public Law 480 was passed which provided for the disposal of some surplus agricultural commodities through what is called the Food for Peace program.\footnote{SUPRA, pp. 52-57.} These policies should, therefore, find wide public support since both clearly stimulate the domestic economy.

Cross-tabulation of these surveys as to age, education, occupation, and level of income show that in some cases these variables have a significant effect on the answers given. People between the ages of twenty-five and forty-five gave much greater sup-
port than others to such policies as more economic aid than military, aid to under-developed countries, and long-term appropriations. Support for these programs was greater among the better educated people. People with less formal education were more likely to answer "Don't know." Also, people in the professional and semi-professional categories were more inclined than people in other occupations to support these policies. Differences in level of income apparently had little effect on attitudes, for no definite correlation was evident.

In summation, people have generally regarded foreign aid as a temporary policy. Approximately one-half of the people interviewed feel that the amount of aid given is sufficient. Even though the amount of aid has been steadily reduced since 1951, over one-third of the respondents believe that it is too much. Either these people are not aware of the decrease or simply do not feel the United States should give much aid. In 1961, Congress approved the granting of development loans for a period of five years and committed the United States to contribute twenty billion dollars to Latin America throughout this decade under the Alliance for Progress. Yet, before and even since that policy change little over one-third of the
respondents supported such a policy. This would seem to indicate that public opinion was insignificant as a determiner of foreign aid policy in this case. During the 1950's and more recently, there has been strong support for giving aid to under-developed countries. The change in purpose of foreign aid in this direction, as of 1961, may, in part, be a reflection of this attitude. A policy trend began in the late 1950's, but aid to under-developed countries was adopted as the primary emphasis in 1961. This policy change was supported by approximately four out of five Americans interviewed.

Similar support is found for the current policy of requiring recipient countries to formulate development plans and to help themselves. About three-quarters of the people interviewed have favored such a policy. Since 1957, there has been a steady increase in the amount of economic aid as compared to military aid. Economic aid in 1964 amounted to twice as much as military aid. This policy change runs parallel to the increasing trend in attitude toward favoring economic aid over military aid which now amounts to nearly 75 per cent of the respondents. Even though there has been a steady decrease in aid to Western Europe since 1952, and more aid given to Asia, only
slightly over half of the respondents favored such a policy even as late as 1959. The United States has always received benefits to the domestic economy from giving foreign aid. These are in the forms of more jobs, greater profits, and increased prosperity. According to national surveys, however, over one-third of those interviewed failed to recognize any of these benefits. This may be due to a lack of knowledge or simply the result of preconceived ideas to the effect that the only benefits of foreign aid go to the recipient countries.

Although in some cases trends in public opinion run parallel to changes in foreign aid policy, in some instances a considerable number of people hold views which run counter to policy changes. These discrepancies are probably due to a lack of awareness of the facts and a lack of understanding of certain policies. Otherwise, the only other explanation is that people hold to their preconceived notions with or without being informed of the facts involved. There is no conclusive evidence offered here that attitudes of the American public have been important factors in the formulation of foreign aid policy. It would appear that public opinion has had no measurable positive effect on foreign aid policy. Even though public
opinion does not appear to influence effectively the initiation of policy changes, in most cases the majority of public opinion runs parallel to foreign aid policy.

The results of national surveys serve the purpose of identifying relationships between public opinion and policy changes. However, they do not provide the information needed to compare the specific knowledge of individuals to their preferences and, in turn, to policy changes. In order to determine these relationships a pilot study was conducted in Kalamazoo, Michigan, in May of 1965. The results of this original research and analysis are presented in the next chapter.
CHAPTER IV

PILOT STUDY OF PUBLIC OPINION

The results of national surveys reveal preferences and trends in attitudes, but the degree of awareness which people nationwide have of policy changes can only be estimated. Therefore, a pilot study was conducted to get a sample of elite opinion which could be analyzed in detail. The survey involved interviews of opinion leaders and influentials in Kalamazoo, Michigan.¹ In no way should the survey be assumed to be equated with national surveys. The questionnaire was designed to determine the amount of knowledge which selected people have of the ten policy changes cited in Chapter Two and their preferences in respect to each aspect of foreign aid involved. The questionnaire was composed of three sections: personal data, preferences, and knowledge of policy changes. The first section established personal data in respect to age, education, occupation,

¹Opinion leaders are those who direct the course of public opinion and to whom others turn for knowledge and interpretations of public affairs. Influentials are people who informally affect the attitudes of those with whom they come in contact.
and level of income. Also, specific questions were asked to determine those people with a primarily local orientation as opposed to those who are more cosmopolitan. These included points such as where people travel, which newspapers and magazines they read regularly, and the activities and organizations in which respondents have participated on the local, state, and national levels. The second section of the questionnaire was designed to determine the preferences of the people interviewed in respect to those aspects of foreign aid policy which have undergone change during the last twenty years. These points which asked for their judgments were asked before those dealing with the respondents' knowledge so as to gain a more accurate measurement of information in each section than would have been possible had questions of fact preceded them. The last group of questions, therefore, asked specifically for the respondents' knowledge of each of the ten selected changes in foreign aid policy.

The selection of respondents was based on criteria which would determine the opinion leaders and influentials on the first, second, and third levels. Twenty-six of the seventy-one persons interviewed were top-level opinion leaders. These twenty-six people were identified in a survey conducted in 1963, specif-
ically designed to determine the opinion leaders in the City of Kalamazoo. An additional twenty-five persons were named in the survey as second-level opinion leaders. A third group of forty-three persons was selected by the author for this survey by using the positional approach. This approach is regarded by sociologists as the most reliable in determining opinion leaders and influentials on the basis of their official capacities. Studies have revealed that influentials are found to be concentrated in the legal profession and in executive positions in business and industry. Approximately 15 per cent of the respondents were attorneys and 22 per cent were executives. According to other studies, the persons most sought after locally for information and interpretation of national and international affairs were more frequently

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2 Dr. Elton Ham, Professor of Political Science at Kalamazoo College, conducted his study in such a way as to determine the first and second-level opinion leaders of Kalamazoo. The criteria used were the active participation of certain people in two to four specific local organizations which were deeply involved in political issues at the time.

3 People in prominent positions were selected from the following areas: business, industry, professional, social service, academic, religious, organizational, official, and aesthetic.

found in the liberal professions, such as law and education. Nearly 30 per cent of the respondents in this survey fall into this category. Furthermore, other studies indicate that more specialized individuals, usually on the second and lower levels, exercise more direct influence on local opinion toward foreign policy matters than do most senior leaders. In the opinion of the author, the people selected to be interviewed in this survey meet these criteria. The procedure followed in conducting this survey began with a letter sent to each of the prospective respondents explaining the survey and asking for their cooperation. Next, college students contacted the respondents to arrange an appointment at which time they would fill out the questionnaire. Out of the total of ninety-four people selected to be interviewed, seventy-one, or 75.5 per cent, consented.

As a qualifying question, respondents were asked whether or not they generally favored the policy


7 The respondents were interviewed by seventeen students under the direction of Dr. Helenan S. Lewis of the Center for Sociological Research, Western Michigan University.
of giving foreign aid. Out of the sample interviewed, 73.2 per cent answered yes, 12.7 per cent, no, and 14.1 per cent, not sure or with qualifications.\(^8\) Those who did not favor foreign aid were not asked the questions dealing with preferences since to have done so would have distorted the results. They were requested to answer only the last section of the questionnaire which dealt with their knowledge of policy changes. Approximately four out of five of those who favored foreign aid believed that it should be in the form of both economic and military assistance. In evaluation of foreign aid to date, 36.6 per cent of all of the respondents felt that it has had good results, whereas 32.4 per cent rated the results as mediocre and 28.2 per cent felt the results have been poor. It is evident from the survey that those who slightly favored the policy of giving foreign aid and have reservations are the very people who felt that the results have been poor.\(^9\) Over 70 per cent of the respondents listed political and administrative shortcomings as the greatest weaknesses of the foreign aid

\(^8\)For the complete results of the survey in percentages, see Appendix.

\(^9\)This statement is based on a cross-tabulation of answers to questions 17 and 28.
program. A considerable number of people praised the Marshall Plan in their comments but added that they did not believe foreign aid has had as much success in the under-developed countries. Some respondents stated that aid to under-developed countries cannot be adequately evaluated at this time and that its degree of success could be fairly judged only after a great number of years have passed.

In order to determine the relationships between the preferences and knowledge of the respondents in respect to policy changes, the results of seventeen questions have been paired off for comparison. When asked what they believed the basic purpose of foreign aid should be, 84.4 per cent answered, "to help under-developed countries achieve political and social progress and economic development," and 7.8 per cent, "to show that a democracy is the best form of government." However, when they were asked what the basic purpose is now, only 54.9 per cent gave similar answers. It is evident that what most people prefer as the basic purpose of foreign aid is exactly what it is according

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10 The seventeen questions which were paired off for comparisons are the following: 18 and 34; 21 and 40; 22 and 39; 23 and 37; 24 and 38; 25 and 41; 26 and 42, 43; and 27 and 35.
to official Washington. However, nearly half of the respondents were not aware of the actual purpose today. In effect, people were endorsing a policy objective which they did not know exists. This can be interpreted as either a lack of knowledge or considerable confusion or both. A similar discrepancy was apparent in another pair of answers. Only 17.2 per cent thought the basic purpose should be to halt the spread of Communism, but 36.6 per cent believed that this actually is the purpose of foreign aid. Since fostering economic development is also intended to serve as a weapon against the spread of Communism in the Cold War, it is not surprising that over one-third of the people interviewed believed that the main purpose of foreign aid is to counteract Communist subversion. Nevertheless, it is obvious that many of the people who placed the greatest value on the humanitarian task of helping under-developed countries did not give the Government credit for having this purpose in mind. Apparently, many respondents preferred to think that the Government is not as idealistic as they are and, instead, has adopted the more practical objective of combatting Communist subversion.

Supra, pp. 28-30.
Another discrepancy is apparent in respect to the proportions of economic aid and military aid. While 81.8 per cent of the people interviewed felt that there should be more economic aid than military aid, only 40.8 per cent knew that economic aid is now twice as great as military aid. In each question, about 14 per cent of the people indicated that they did not know. Although only 1.8 per cent believed there should be more military aid than economic aid, 25.4 per cent thought that now military aid is twice as great as economic aid. It is possible that many people have confused some of the activities of the Department of Defense, as in South Viet Nam, with the foreign aid program. The results indicate clearly a lack of awareness of existing policies and objectives.

A lack of knowledge and understanding is also evident in respect to the forms of aid, that is, grants, loans, technical assistance, and material resources. The results of two questions are compared in Table 7. In respect to the first question, people were obviously more willing to give technical assistance than capital, whether or not they recognized the need for capital in the under-developed countries. It is possible that

\[\text{\footnotesize Supra, pp. 43-44.}\]
TABLE 7

22. "In your opinion, foreign aid should be given primarily in the form of:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.7%</td>
<td>A. grants</td>
</tr>
<tr>
<td>60.9%</td>
<td>B. technical assistance</td>
</tr>
<tr>
<td>39.1%</td>
<td>C. loans</td>
</tr>
<tr>
<td>20.3%</td>
<td>D. material resources</td>
</tr>
</tbody>
</table>

39. "According to your knowledge, over half of all economic aid is given now in the form of:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Option</th>
</tr>
</thead>
<tbody>
<tr>
<td>26.8%</td>
<td>A. loans</td>
</tr>
<tr>
<td>4.2%</td>
<td>B. grants</td>
</tr>
<tr>
<td>67.6%</td>
<td>C. grants and technical assistance</td>
</tr>
<tr>
<td>1.4%</td>
<td>D. don't know</td>
</tr>
</tbody>
</table>
some of these people did not understand what is necessary in order to bring about economic development. It may also be that some people were aware that technical assistance is less costly than other forms of aid and would prefer that less money be spent for foreign aid. The answers to the second question indicate that most people did not know that nearly two-thirds of economic aid now is in the form of loans.\textsuperscript{13}

The results of two questions dealing with the geographic distribution of foreign aid indicate approval of policy which most of the people interviewed did not know exists. This conclusion is based on the percentages shown in Table 8. While 71.9 percent of the respondents thought aid should be given mostly to Asia, Africa, and Latin America, only 52.1 percent knew that the current policy directs most of aid to countries in Asia and Latin America.\textsuperscript{14} Apparently, this is another case of some people endorsing a policy which they were not aware exists. The surprisingly large percentages of respondents who believed that aid is given mostly to countries in "Asia and Europe" and also "Europe and Latin America" are evi-

\textsuperscript{13}\textit{Supra, pp. 44-45.}
\textsuperscript{14}\textit{Supra, pp. 33-37.}
TABLE 8

23. "According to your judgment, foreign aid should be given now primarily to countries in:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Region</th>
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</thead>
<tbody>
<tr>
<td>3.1%</td>
<td>A. Asia and Europe</td>
</tr>
<tr>
<td>71.9%</td>
<td>B. Asia, Africa, and Latin America</td>
</tr>
<tr>
<td>10.9%</td>
<td>C. Europe, Africa, and Latin America</td>
</tr>
<tr>
<td>14.1%</td>
<td>D. don't know.&quot;</td>
</tr>
</tbody>
</table>

37. "It is your impression that now most of foreign aid is directed to countries in:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>23.9%</td>
<td>A. Asia and Europe</td>
</tr>
<tr>
<td>52.1%</td>
<td>B. Asia and Latin America</td>
</tr>
<tr>
<td>18.3%</td>
<td>C. Europe and Latin America</td>
</tr>
<tr>
<td>5.7%</td>
<td>D. don't know.&quot;</td>
</tr>
</tbody>
</table>
dence that they did not know that European countries
have been receiving increasingly smaller amounts of
foreign aid each year since the early 1950's.

Concentration of aid on a small number of care-
fully selected countries has been a major part of for-
eign aid policy since 1961. Yet, respondents' pref-
erences and knowledge indicate that they did not
realize this nor the reasons for this policy change.
The two questions asked received the answers shown in
Table 9. Since over 85 per cent of the respondents
felt that aid should be given mostly to the poorest,
slowly progressing, loyal countries, it appears that
these people did not understand the development pro-
cess. They apparently were unaware that the poorest
countries cannot absorb large amounts of aid. Further-
more, they must not have realized the great shortage of
trained manpower and capital investment in those coun-
tries. It is likely that these people were allowing
their humanitarian and Cold War instincts to over-
shadow good judgment and realistic appraisals. However,
approximately the same percentage of people were aware
that aid is concentrated on a small number of countries.

The closest relationship between preferences

15Supra, pp. 37-42.
24. "As far as you are concerned, foreign aid should be given mostly to:

- **15.6%** A. the few countries (8 to 12) which are able to absorb large amounts and to advance the most.
- **46.9%** B. the countries which are slowly progressing economically and which are loyal to the United States.
- **40.6%** C. the very poorest nations which need the greatest amount of assistance."

38. "Your impression of the distribution of foreign aid is that most of it is concentrated on:

- **00.0%** A. two countries
- **45.1%** B. ten countries
- **43.7%** C. twenty-five countries
- **11.2%** D. don't know."
and knowledge is with respect to requirements made of the recipient countries. Of those interviewed, 76.6 per cent believed that recipient countries should be required to formulate development plans and to undertake social and political reforms. Similarly, 78.9 per cent of the respondents thought that countries receiving U.S. aid at present are being required to meet these conditions. Since these requirements constitute one of the most striking policy changes,\textsuperscript{16} it is particularly significant that people were apparently aware of its existence.

The benefits to the United States from giving foreign aid are easily over-looked and often ignored by critics. Over half of the people interviewed, 53.1 per cent, believed that foreign aid should benefit not only the recipient countries, but also the United States as well by creating jobs, markets, profits, and helping to dispose of surplus agricultural commodities. In comparison, 43.8 per cent felt that only the recipient countries should benefit. At the same time, 62 per cent of the respondents supported the policy of tying 80 per cent of aid goods to American products. Also, 67.6 per cent were aware that Public Law 480,

\textsuperscript{16}\textit{Supra}, pp. 30-33.
the Food for Peace program, adds the benefit to the domestic economy of helping to dispose of surplus agricultural commodities. In effect, more people believed there are benefits to the United States from giving foreign aid than people who believed there should be domestic benefits. Therefore, one can conclude that many people were aware of the changes in foreign aid policy which are intended to spur the domestic economy.17

A final comparison can be made between people's preferences and knowledge concerning the administration of foreign aid. Those who believed there should be one central agency with sub-divisions amount to 68.8 per cent of the people interviewed. However, despite this strong preference and persistent charges of mismanagement, only 50.7 per cent of the respondents recognized the Agency for International Development as the administering agency. In fact, one-quarter of the people interviewed indicated that they did not know the name of the agency rather than guess at one of the three choices given. Clearly, although people have a definite idea of the form of organization they prefer, they did not know that such an agency already exists.

17Supra, pp. 52-57.
As these comparisons have shown, the people interviewed generally knew what policies they prefer; but fewer knew what current policies actually are. This is evident in the replies dealing with the purpose of foreign aid, the proportions of military and economic aid, the geographic distribution, and the administration of foreign aid. This sample of public opinion reveals that people endorse a policy which they do not know already exists. Furthermore, most of the people in this survey apparently did not prefer the current policy of giving primarily long-term loans. Nearly two-thirds of the respondents felt that aid should be mostly in the form of technical assistance. The responses to questions on this matter clearly indicate that most of the respondents have little understanding of what is needed to bring about economic development. It may be that they simply disagree with the policy; but, if they do understand the development process, they still choose to ignore the fact that technical assistance as the main type of aid is inadequate. The lack of knowledge and understanding demonstrated in the pilot study is especially significant because the respondents are a select group. The results might have been expected of a cross-section of the American public. However, the respondents were
selected because they were believed to represent the best informed segment of the community. In this sample, therefore, it is evident that many opinion leaders and influentials are generally not aware of policy changes and do not understand the ones which they do know exist.

The next chapter presents conclusions based on the entire thesis. Each chapter has been aimed at helping to determine the relationships between changes in foreign aid policy and public opinion as measured in national surveys and a pilot study. The purpose has been to indicate the impact of policy changes on public opinion by proving whether or not people in general are aware of policy changes, understand them, and are prepared to fairly evaluate them.
CHAPTER V

SUMMARY AND CONCLUSIONS

The thesis has been aimed at determining the relationships between ten selected changes in foreign aid policy of the United States and public opinion regarding these changes over the last twenty years. The main purpose of the study is to determine the impact of policy changes on public opinion. The changes have been documented and studied in relation to public opinion as measured in national surveys and a pilot study. The paper hypothesizes that Americans generally are not aware of the substance of these policy changes and that the U.S. public does not really understand their significance and implications. Consequently, most Americans are not prepared to evaluate foreign aid policy accurately.

In Chapter One, the principles, assumptions, and objectives of foreign aid were examined and analyzed. Two main principles underlie foreign aid policy: giving aid to other countries is vital to the national security of the United States; and, assisting other nations in relief, rehabilitation, and economic development is of great moral value itself. These rest, first, on the
assumption that assistance in the forms given can actually achieve the objectives laid down. Furthermore, they assume that economic, political, and social development in the world necessitates that the advanced nations give assistance to under-developed countries for an indefinite period of time. Finally, they assume that progress in those countries toward the goals which have been set is largely dependent upon the amount of self-help involved in each instance. The objectives of foreign aid have gradually evolved from providing relief and rehabilitation for certain countries during and following World War II to the present objective of helping under-developed countries achieve economic viability and political and social progress in freedom. In retrospect, the principles, assumptions, and objectives of foreign aid policy have developed and adapted to meet changing needs and world conditions.

To serve as background for subsequent chapters, Chapter One presented a resume of the historical development of foreign aid programs from 1942 through 1961, and the primary arguments for and against the policy of giving foreign assistance, opinions which have persisted over the years. The historical account provided a framework against which the changes in policy and public opinion could be seen. Upon examining
divergent views of the American public toward foreign aid, one can discern a certain degree of confusion as evidenced, for example, by the arguments in respect to the balance-of-payments situation and military security. Those who believe that foreign aid adds to the payments deficit fail to understand the mathematical basis for such an assertion. Likewise, those who oppose foreign aid in favor of an isolationist policy and the necessary build-up of American military power apparently fail to understand the intricacies and massiveness of preparing for and carrying on direct warfare without strong allies. Also discernible is a very definite lack of awareness on the part of many people. Those who would compare the work of the Marshall Plan with the task which presently confronts the foreign aid program clearly indicate that they are unaware of the inherent differences between achieving economic rehabilitation of war-torn Europe and the present goal of helping to achieve self-sustaining economic growth in the under-developed countries. Those who advocate the elimination of foreign aid or drastic cutting of the amount and giving only to allies reveal a misunderstanding, unawareness, or a disagreement with the presumed consequences of such a policy, that is, the security of the United States, her world image, and the
and the future of freedom around the world which would be at stake. To give aid to only allies might lend support to the accusation that the United States is seeking to buy friendship. Furthermore, people who view foreign aid in this way indicate that they are obviously unaware of the basic purpose of aid at this time which is to defend freedom, enhance the national security of the United States, and also to help the under-developed countries achieve economic viability. These examples of public opinion as revealed in the criticisms of foreign aid should serve to illustrate clearly that the attitudes of many Americans are marked by confusion and a considerable lack of awareness.

Since the inception of foreign aid with the Institute of Inter-American Affairs in 1942, there have been many changes in policy. Ten selected changes were documented in Chapter Two. One such change concerned the administration of foreign aid, a change from a haphazard arrangement covering several departments and agencies to a centralized institution, the Agency for International Development, created by Congress in 1961. The gradual shift in objectives from limited economic and political goals to long-range economic development and political goals constitutes another change. A third change is the shift in the geographic distribu-
tion of aid from Europe to Asia and Latin America since the late 1950's, resulting in a major policy departure. Since countries in Europe had almost completely recovered from the devastating effects of World War II by the mid-1950's, aid began to be directed first toward countries in Asia and then, in the early 1960's, to the countries of Latin America as well. In addition, there has been a fourth policy change which has involved the concentration of the largest amounts of aid on a few selected countries. At present, about 70 per cent of aid is given to the ten countries which can absorb large amounts and advance most rapidly. For the first time since the Marshall Plan, recipient countries in this decade are required to formulate development plans, carry out internal reforms, and exert efforts of self-help. This constitutes a fifth policy change. Another shift in policy involved a steady increase in the proportion of economic aid as compared with military aid since the late 1950's. Economic aid is now more than twice as great as military aid, in contrast to economic aid being less than half of the total appropriation each year as recently as 1959. A seventh change has been that of a proportional increase of loans in relation to grants. Loans now amount to about 64 per cent of all economic aid as compared to
aid being primarily in the form of grants during the 1940's and 1950's. Long-term appropriations for development loans constitute the eighth policy change. Prior to 1961, all aid appropriations were made on a year-to-year basis. At present, there are two five-year appropriations for loans to under-developed countries. Human resources, offered through the medium of the Peace Corps, have now been added to money, goods, and technical assistance and therefore constitute the most dramatic change from long-established policy. The Peace Corps helps to bridge the gap between technical experts and the masses of unskilled workers in the under-developed countries. The tenth policy change is the increasing emphasis put on deriving more benefits to the domestic economy. Public Law 480 helps dispose of surplus agricultural commodities through the Food for Peace program. In addition, policy now requires that over 80 per cent of aid goods be purchased from American producers. The United States now benefits from more than 500,000 jobs and over $200 billion worth of exports annually which are created by the foreign aid program. Moreover, the Buy American policy contributes to correcting the international balance-of-payments deficit of the United States.

With these ten policy changes to serve as points
of comparison, public opinion as measured in national surveys was examined and analyzed in Chapter Three. One prevailing attitude of Americans is that foreign aid is a temporary policy. This attitude may account for much of the impatience of Americans toward foreign aid. Also, it may have some effect on there being bitter debates in Congress each year on new foreign aid bills. In the early 1950's, approximately two-thirds of the people interviewed felt that the Marshall Plan was a successful program and supported the policy. However, in 1958, an AIPO poll revealed that only 50.8 per cent of respondents favored foreign aid and 32.7 per cent were against it. About half of all the people interviewed felt that the amount of aid is sufficient. However, over one-third of the total believed that too much is given. This attitude, also, possibly contributes to the dissatisfaction with foreign aid. Apparently, critics either do not know or do not care that the amount appropriated has decreased steadily from over $8 billion in FY 1951 to $3.4 billion in FY 1964.

The change in objectives to giving aid to under-developed countries to help them achieve long-range economic development and self-sustaining growth is paralleled by a steady increase in public support of such a policy. The surveys made from 1949 to 1955,
show that support has grown from 72 per cent to 79 per cent of those interviewed. This trend indicates the further decline of isolationist sentiment in the United States and a general willingness to have the United States play a major role in the economic development of nearly half the globe. This public support may have encouraged the Kennedy Administration and Congress to change the objectives, distribution, form, and requirements of foreign aid. Another point of comparison is with respect to long-term appropriations for development loans. In 1956, only 25 per cent of those interviewed felt that it would be a good policy. By 1957, 39 per cent voiced support of long-term appropriations. Even though the action lacked considerable public support, Congress, in 1961, passed a five-year appropriation for development loans, approved the same policy for loans under the Alliance for Progress in 1962, and committed itself to contributing $20 billion to Latin America during the decade of the 1960's. Furthermore, people interviewed in 1954 and 1955, were asked if aid should be given only to allies or to neutrals as well. In both years just under half of the respondents felt that aid should be given to neutrals while nearly half believed that it should not. Current policy reveals that neutrals do in fact receive United
States aid. India, a strong, neutralist nation, receives the largest amount of aid given.

Evidence provided by survey results indicates a strong preference in American opinion for economic aid over military aid. Nearly three-quarters of respondents over the five-year period from 1951 to 1956, felt that economic is more important. It is significant that throughout most of the 1950's, when foreign aid had a military orientation, people expressed a preference for economic aid. However, it was not until the late 1950's, that the proportion of economic aid increased substantially. Since 1961, there has been a more dramatic change in emphasis which has resulted in economic aid amounting to twice as much as military aid as of FY 1964. This policy change is attributable to the change in purpose of foreign aid and also the subversive tactics of the Communist World in waging the Cold War. Also, public sentiment in favor of a greater proportion of economic aid existed long before the policy change occurred.

In respect to the geographic distribution of foreign aid, in 1953, only 41.6 per cent of the people interviewed expressed approval of giving less aid to Europe and more to Asia. The rest of the respondents may have failed to realize that Europe had almost
recovered economically from World War II. Aid to European countries has gradually been phased out since 1952. Only two countries in Europe are being given aid in FY 1965. At the present time, Europe not only does not need aid, but some countries now have foreign aid programs of their own. If the survey results are not an indication of lack of awareness in total, it may be that they also indicate that many people simply do not favor giving aid to countries of Asia.

The final relationship between a policy change and public opinion was in respect to the administration of foreign aid. As indicated in the results of surveys made in the 1950's, approximately one-third of the respondents listed poor administration, mismanagement, and mishandling of money and goods as the major weaknesses of the foreign aid program. Many people still make these criticisms of foreign aid despite the fact that one of the major policy changes has been the creation of the Agency for International Development in 1961. Some criticisms of the administration of foreign aid since 1961 may lack adequate justification. Perhaps public dissatisfaction with the administration of programs prior to the creation of AID had some influence in bringing about the change, but survey results tend to show that many people have failed to
realize that administrative reorganization and centralization have taken place.

Several broad conclusions can be drawn on the basis of analyses of national survey results when related to policy changes. Statistics show that in several instances the majority of public opinion runs parallel to certain changes in foreign aid policy. However, no causal relationship has been established. Most of the relationships documented in Chapter Three tend to indicate that most people do not know that certain policy changes have been instituted. Furthermore, analyses of these relationships indicate that even when they are aware of the changes they are not necessarily aware of their significance and implications. This evidence supports the assumptions in the hypothesis. The author has found no conclusive evidence that trends in public opinion have been key factors in the initiation or formulation of foreign aid policy. This lack of influence and the discrepancies between majority opinion and policy changes can be explained in at least two different ways. Perhaps people simply are not informed of policy changes, do not understand them when they are aware, or have little interest in the subject. Or, it could be that people in general hold to their preconceived notions
with or without being informed of the facts involved and have little concern for the substance of current policy.

Chapter Four presents and analyzes the pilot study of opinion leaders and influentials in Kalamazoo, Michigan. It was undertaken to determine the amount of knowledge that those people have of changes in foreign aid policy in relation to their preferences. This study was made because the results of national surveys show only preferences and trends in attitudes. The degree to which people are informed of policy changes can only be estimated. Therefore, the sample survey was designed to determine specifically the relationships between preferences and knowledge of policy changes of the people who should be well-informed because of their status in civic activities and influence on public opinion.

The analysis of the survey results shows, first, that nearly three-quarters of the respondents favored the policy of giving foreign aid. Approximately four out of five of those who favored foreign aid believed that it should be in the form of both economic and military assistance. Replies to nine pairs of questions were compared. Whereas 84.4 percent of the respondents believed the purpose of foreign
aid should be to help under-developed countries achieve economic viability and progress in freedom, only 54.9 per cent indicated that they knew this actually is the basic purpose. A similar discrepancy was evident in respect to their preference and knowledge of economic aid being considerably greater than military aid. These results tend to show that most people endorse policies which they do not know exist. While current policy has resulted in about two-thirds of economic aid being given in the form of loans, 60.9 per cent of the respondents preferred technical assistance, and 67.6 per cent believed that aid is given primarily in the form of grants and technical assistance. This is evidence of a lack of knowledge concerning the present policy and disagreement with it as well.

A further indication of lack of knowledge was to be found in the results of questions dealing with the geographic distribution of foreign aid. Nearly three-quarters of the people interviewed thought that aid should be given primarily to countries in Asia and Latin America. However, only half of the respondents knew that this policy exists. About 40 per cent thought that European countries still receive large amounts of aid. Clearly, many of the people interviewed did not know the geographic direction of aid
today or that Europe is no longer in need of American economic or military aid. Nevertheless, the preferences of the people interviewed showed an endorsement of the policy even though many of them did not know it exists. Statistics showed that less than half of the people interviewed preferred that aid be concentrated on the few countries which can absorb the greatest amounts and advance most rapidly. Less than half of the respondents indicated that they knew this is the current policy. Although many people indicated that they think the largest amounts of aid should be given to the poorest, slowly progressing, anti-Communist countries, they probably do not realize the full implications of such a policy. The survey tended to indicate that people are not only unaware of the present policy of concentrating aid on specific countries, but that they apparently do not understand the reasons for such a policy.

The closest relationship between preferences and knowledge was apparent from the results of questions in the pilot study on requirements made of recipients. More than three-quarters of the respondents favored such a policy and also indicated that they knew it is in effect. These results are evidence that people have awareness and understanding of at least one aspect
of foreign aid policy. Statistics showed that more people are becoming increasingly aware of the benefits to the economy of the United States from giving foreign aid. Over half of the respondents felt that the United States as well as the recipient countries should benefit from the aid program. More than two-thirds of the people interviewed supported the policies of selling surplus agricultural products and tying over 80 per cent of aid goods to American products. The final relationship dealt with views on the administration of foreign aid. Although more than two-thirds of the respondents believed there should be one central agency in charge, only 50.7 per cent knew the name of the administering agency which was created four years ago. One-quarter of the people interviewed indicated that they have no idea what the agency is called. Such evidence leads to the conclusion that there is a substantial lack of awareness of this change in policy.

The conclusions of this study coincide with some of the findings of a public information campaign on the United Nations, conducted in Cincinnati, Ohio. The results of a poll following that campaign conformed roughly to the national pattern as established by similar polls which followed public information campaigns. According to those national surveys:
About 30 per cent of the electorate, on the average, is unaware of almost any given event in American foreign affairs. About 45 per cent of the electorate is aware of important events in the field but cannot be considered informed. These people retain little information. Although they may follow discussions of the issues of foreign policy, they cannot frame intelligent arguments about them.

Only 25 per cent of the electorate consistently shows knowledge of foreign problems.¹

The Cincinnati poll results showed that after a six-month information campaign, the informed people had become better informed. However, a large proportion of the people remained unaware, and more than half of the rest were found to be uninformed. The primary conclusion was that the approximately 75 per cent who remain ignorant feel no personal interest in subjects related to the country's foreign policy.² Based on the results of those surveys, it is probable that a public information campaign on foreign aid conducted in Kalamazoo would have similar results. People generally are not concerned about foreign aid policy because the impact, even when significant, is not recognizable to them on a personal basis. The average citizen does not have adequate


²Ibid., p. 205.
knowledge of international economics to understand why foreign aid is needed and how it is actually helping nations to achieve economic viability. The role of foreign aid in the Cold War context is also not apparent to most citizens. Legitimate aspirations of underdeveloped nations are ignored or rejected by a large segment of the American public.

The lack of knowledge and understanding of foreign aid policy on the part of many Americans may be attributable to many factors. Most people do not have the interest, time, comprehension, or background to become well-informed or articulate on the subject. Moreover, the means of mass communication lack the content and depth necessary to adequately inform the public. However, as indicated in the Cincinnati study and national surveys, approximately three-quarters of the adults in the United States remain ignorant or uninformed even after a public information campaign. People tend to become emotional about sensational news items. Mostly, the public appears to be indifferent or apathetic. In a democracy people are free to choose whether or not they will become informed on matters vital to the nation. Although the political process is designed to afford many points of access for citizens who wish to exert influence on decision-makers, evidence indicates that
most people are not sufficiently interested in foreign aid policy to become informed or to understand and evaluate fairly policy changes.

How can this lack of awareness and public disinterest be explained? In the author's view, they rest primarily on a shortcoming of human nature. What people do not have to do is left to choice. What people are not involved in holds little interest. What does not interest people receives little or no attention. Therefore, because the impact of foreign aid is removed from the lives of nearly all Americans, people generally are not concerned about the subject and consequently do not become informed. This view of human nature helps to explain much of the evidence presented in this paper.

In conclusion, the evidence presented in this paper shows that there has been little or no relationship between changes in foreign aid policy and public opinion. Public opinion has had little or no impact upon the changes in foreign aid policy since the public, both general and elite, has usually been unaware, uninformed or misinformed about such policy. Conversely, foreign aid policy changes have had little or no impact upon public opinion since the national polls and the pilot study indicate that the public has remained largely unaware, uninformed or misinformed about the changes after they have been implemented.
APPENDIX

SURVEY OF PUBLIC OPINION ON FOREIGN AID
1. **Age:**  
   - 11.3% 20 - 29 years  
   - 18.3% 30 - 39 years  
   - 25.4% 40 - 49 years  
   - 29.6% 50 - 59 years  
   - 12.7% 60 - 69 years  
   - 1.4% 70 - 79 years

2. **Sex:** 71.8% Male 29.6% Female

3. **Marital Status:** 83.1% Married 14.1% Single  
   - 2.8% Other

4. **Number of years of education:** 16.9% 13 years  
   - 53.5% 17 years  
   - 22.5% over 17 years

5. **High School Diploma:** 5.6% No 94.4% Yes

6. **College Degree:** 26.8% No 73.2% Yes

7. **Occupation**  
   - 76.1% Professional and Managerial  
   - 9.9% Other White Collar  
   - 4.2% Skilled and Semi-skilled  
   - 00.0% Unskilled  
   - 00.0% Farmer  
   - 11.3% Homemaker
2.8% Retired

8. Approximate annual income:

- 2.8% less than $3,000
- 11.3% $3,000 to $6,000
- 16.9% $6,000 to $9,000
- 11.3% $9,000 to $12,000
- 47.9% over $12,000

9. What newspapers do you read regularly?

- 95.8% Kalamazoo Gazette
- 47.9% Detroit Free Press
- 8.5% National Observer
- 40.8% Wall Street Journal
- 23.9% Chicago Tribune
- 9.9% Detroit News
- 4.2% Chicago Sun-Times
- 32.4% New York Times

10. To what magazines do you subscribe? Please list.

- 70.4% Social
- 66.2% News
- 18.3% Professional
- 5.6% Business

11. Do you belong to organizations which concern them-
selves with matters on the:

81.7% local level
76.1% state level
67.6% national level

Please list the names below:

12. Do you participate in organizations which concern themselves with matters on the:

81.7% local level
63.4% state level
38.0% national level

Could you briefly describe the capacity in which you participate? For example: attendance at meetings, committee membership, holding an elective or appointive office.

13. Have you ever served on a Governor's or President's advisory committee or testified before a state legislative or congressional committee?

67.6% No 23.9% Yes

If yes, which committee, when, and what was the subject?

14. Which area of news is of the greatest interest to you?

63.4% Local
50.7% State
56.3% National
50.7% International
15. Do you travel occasionally outside of Kalamazoo?

2.8% No  97.2% Yes

If yes, where do you generally go?

16. Who are your favorite TV and radio news commentators?

17. In general, do you favor the policy of giving foreign aid, military or economic or both?

12.7% No
73.2% Yes
14.1% Not sure, or with qualifications

If "no," turn to question 28.

18. As you regard foreign aid, the basic purpose should be to:

7.8% show that a democracy is the best form of government.
17.2% halt the spread of Communism in the world.
84.4% help under-developed countries achieve political and social progress and economic development.

19. Do you feel that military aid should be eliminated?

79.7% No  6.3% Yes  14.0% Don't Know

20. Do you feel that economic aid should be eliminated?

85.9% No  1.6% Yes  12.5% Don't Know
21. (Ask this question only of those who answered "No" to questions 19 and 20.)

What do you believe would be the best proportions of foreign aid?

- 1.8% equal amounts for military aid and economic aid
- 1.8% more military aid than economic aid
- 81.8% more economic aid than military aid
- 14.6% don't know

22. In your opinion, foreign aid should be given primarily in the form of:

- 4.7% grants
- 60.9% technical assistance
- 39.1% loans
- 20.3% material resources

23. According to your judgment, foreign aid should be given now primarily to countries in:

- 3.1% Asia and Europe
- 71.9% Asia, Africa, and Latin America
- 10.9% Europe, Africa, and Latin America
- 14.1% Don't Know

24. As far as you are concerned, foreign aid should be given mostly to:

- 15.6% the few countries (8 to 12) which are able to absorb large amounts and to advance the most.
46.9% the countries which are slowly progressing economically and which are loyal to the United States.

40.6% the very poorest nations which need the greatest amount of assistance.

0.0% Don't Know

25. In your opinion, countries receiving United States aid should:

10.9% provide equal amounts of money and materials.

1.6% be required to vote with the United States in the United Nations.

76.6% be required to formulate development plans and to undertake social and political reforms.

14.1% not be required to make commitments of any kind in order to receive aid.

0.0% Don't Know

26. According to your views, foreign aid should benefit:

43.8% only the recipient countries by contributing to their economic development, helping them plan and carry out social and political reforms, and assisting them to become self-sufficient, independent countries.

53.1% the recipient countries and also our domestic economy by creating more jobs in the production of goods, helping to dispose of surplus agricultural commodities, and building new world markets for U.S. products.

3.1% Don't Know
27. As you view bureaucratic procedure, the administration of foreign aid should be handled by:

- 18.8% separate regional agencies, such as one each for Africa, Latin America, and the other areas.
- 4.7% several agencies, each of which would be responsible for a specific type of aid such as grants, technical assistance, etc.
- 68.8% one central agency with sub-divisions.
- 7.7% don't know.

28. How would you evaluate foreign aid as to the degree of success?

- 28.2% poor
- 32.4% mediocre
- 36.6% good
- 2.2% cannot state

29. What would you say is the most undesirable aspect or weakest point of foreign aid?

- 76.1% administrative
- 71.8% political
- 16.9% economic

30. What changes, if any, do you think should be made in our foreign aid policy?

- 00.0% don't know

31. As far as you can recall, foreign aid has been
given since about:

- 8 -

35.2% 1930
64.8% 1945
0.0% 1961
0.0% don't know

32. To your knowledge the first major foreign aid program was the:

11.3% United Nations Relief and Rehabilitation Administration
60.6% Marshall Plan
15.5% Aid to Greece and Turkey
5.6% Mutual Security Program
7.0% Don't Know

33. It is your understanding that the purpose of the Marshall Plan was to help:

95.8% Western Europe rebuild economically after World War II.
1.4% the Allies militarily and economically during World War II.
1.4% countries recover from the Depression.
0.0% the members of the United Nations.
1.4% don't know.

34. It is your impression that now the basic purpose of foreign aid is to:

54.9% show that ours is the best form of gov-
ernment and that it is concerned with worldwide economic development and humanitarian work.

8.5% provide more government jobs for our citizens and give additional responsibilities to the Department of State.

36.6% counteract Communist subversion and totalitarianism around the world and strengthen our national security.

00.0% don't know.

35. The agency now responsible for administering the total foreign economic aid program is the:

14.1% Mutual Security Agency

9.9% International Cooperation Administration

50.7% Agency for International Development

25.3% Don't Know

36. To your knowledge, the annual cost of foreign aid has:

53.5% increased

26.8% decreased

00.0% remained the same

15.5% fluctuated but stayed at relatively the same amount

4.2% don't know

37. It is your impression that now most of foreign aid is directed to countries in:

23.9% Asia and Europe
52.1% Asia and Latin America
18.3% Europe and Latin America
5.7% Don't Know

38. Your impression of the distribution of foreign aid is that most of it is concentrated on:

00.0% two countries
45.1% ten countries
43.7% twenty-five countries
11.2% don't know

39. According to your knowledge, over half of all economic aid is given now in the form of:

26.8% loans
4.2% grants
67.6% grants and technical assistance
1.4% don't know

40. Your impression is that now:

19.7% the amounts for military aid and economic aid are about equal.
25.4% military aid is more than twice as great as economic aid.
40.8% economic aid is more than twice as great as military aid.
14.1% don't know.

41. To your knowledge, countries receiving U.S. aid are now required to:
undertake internal reforms and to formulate development plans (economic, political, and social).

provide matching funds and personnel for every project.

support the United States in international affairs and vote with us in the United Nations.

reject Communism and the Communist countries.

don't know.

42. At present 80 per cent of the goods paid for by foreign aid must be bought from producers in the United States. What is your opinion of this policy?

Support.

Believe that all of the goods bought should be American products.

Believe that buying mostly American products is not necessary.

Believe that recipient countries should purchase goods from any country in which they are most economical.

Don't Know.

43. The Food for Peace program which involves selling surplus agricultural products to underdeveloped nations adds to foreign aid:

the expense of buying foodstuffs on the American market and shipping them abroad.

the benefit to our domestic economy of helping to dispose of surplus com-
modities.

8.5\% don't know.

44. What effect do you believe our foreign aid expenditures have on our balance-of-payments?

9.9\% They help maintain a favorable balance-of-payments.

26.8\% They have little effect on our balance-of-payments.

7.0\% They help correct an unfavorable balance-of-payments.

46.5\% They add to the deficit.

9.8\% Don't Know.
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