

Dissertation Abstract

The Role of the United States Foreign Policy in the Global Adoption of Democratic Governance

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The role of democracy in the foreign policy of the United States is a prominent one. Presidents from Woodrow Wilson to George W. Bush have named democracy as motivating factor for military actions around the world. This research has been undertaken to determine the effect of U.S. actions on regime liberalization, specifically democratization, in the international community.

This research studies the evolution of U.S. foreign policy throughout the Cold War and post-Cold War era using an institutional approach to policy study. Using primary sources such as national security statements, policy speeches and personal memoirs, the goals and objectives of the Cold War and post-Cold War policies are studied and compared to determine if democracy is in fact a goal of U.S. foreign policy.

Additionally, the effect of U.S. actions on the adoption of democratic traits is measured using a regression analysis. The independent variables of economic aid and military aid are analyzed for their impact on democratic progression. The dependent variable used in the regression analysis is the “polity” score assigned to a particular country by the Polity IV Dataset.

The comparison of the Cold War and post-Cold War policies indicated that, despite the drastic differences in the international political environment, the two eras shared a common goal. That goal is to safeguard the strategic and economic interests of the United States. Democracy, despite the rhetoric surrounding it, is not the motivating factor in U.S. actions abroad.

The regression analysis also bears out the hypothesis that the U.S. does not directly effect the adoption of democracy abroad. Military aid is found to be completely unrelated to countries adopting more liberal regime traits. Similarly, economic aid is shown to have no statistically significant relationship to regime liberalization. Taken together, the findings indicate that, though U.S. foreign policy is generally shrouded in the language of Democratic Peace and Idealism, it is in fact RealPolitik that has driven U.S. foreign policy.

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Chapter 1

Introduction

This dissertation seeks to answer two main questions: the effect of U.S. actions on global democratization and whether or not democracy is in fact a major objective of U.S. foreign policy. The apparent role of the United States in the promotion of democracy has become more and more prominent over the last several years. The biggest foreign policy issue at present is the U.S. intervention in Iraq and the goal of the U.S. in occupying that country. The Bush II administration's stated objective, absent the discovery of Weapons of Mass Destruction, in taking action in Iraq is to bring about a democratic transition in a formerly totalitarian regime and offer a democratic springboard for the region. This, the reasoning goes, will make the U.S. more secure and offer a chance for democratic governance to a region that has had little or no previous experience with democracy. These actions, and the rhetoric surrounding them, bring to mind questions regarding U.S. foreign policy and its relationship to democracy.

These questions are important on two fronts: domestic impact and international relations. It is known that presidents often use the rhetoric of democracy to garner support for their international actions. From Wilson to the second Bush Administration, presidents have made democracy the pivotal point in their international policy speeches.¹

¹ Democracy has long been a staple of international policy statements by U.S. presidents. See Woodrow Wilson, Address to Congress, April 17, 1917. "Making the World Safe for Democracy," Sixty-Fifth Congress, 1 Session, Senate Document No. 5. Available on the World Wide Web at (<http://historymatters.gmu.edu/d/4943/>); Franklin Deleano Roosevelt, "Fireside Chat", December 29, 1940,

As the twentieth century wore on, however, the threats to democracy became less specific, but presidents and policymakers continued to use the ideology to frame their policy statements. This begs the question: “Do the actions of the United States actually further the cause of democracy, as policymakers indicate?” If the U.S. public knew the effect of U.S. actions on democracy, would the rhetoric still be as effective?

The impact of U.S. action abroad also has an enormous effect, as logic would conclude, on the perception of the U.S. in the international community. U.S. policy statements indicate that encouraging democracy will result in increased support for the U.S. in the global arena. As U.S. actions in the Middle East over the last three years have borne out, though, the U.S. has come to be viewed with less respect, rather than more.² Though U.S. hegemony requires the projection of national interests globally, this loss of reputation and standing in the world’s view may actually hinder U.S. interests in the long run.

As one looks at the foreign policies that emerged after the terrorist attacks of September 11, 2001 it is imperative to reevaluate the record of the U.S. in supporting democracy. Even as policy shifts from 2001 to present, policy makers must look to the lessons of the past in order to develop effective policy for the future. By understanding the effect, or lack of effect, of U.S. actions abroad, policymakers can better understand

“The Arsenal of Democracy.” Available on the World Wide Web at (<http://www.usembassy.de/usa/etexts/speeches/rhetoric/fdrarsen.htm>); Harry S. Truman, “Farewell Address to the American People,” January 15, 1953. Available on the World Wide Web at (<http://trumanlibrary.org/calendar/viewpapers.php?pid=2059>). Later presidents continued this tradition of proposing action and justifying it in the name of democracy. See Ronald W. Reagan, “Speech to the House of Commons,” June 18, 1982. Available on the World Wide Web at (<http://odur.let.rug.nl/~usa/P/r40/speeches/empire.htm>); William J. Clinton, “A Foreign Policy for the Global Age,” Address to the University of Nebraska. December 8, 2000. Available on the World Wide Web at (<http://www.clintonpresidentialcenter.org/legacy/120800-speech-by-president-at-foreign-policy-for-global-age-address.htm>).

the way in which the U.S. is viewed by others. This understanding can assist policymakers in creating policies that not only serve American interests, but do so without alienating the international community.

In studying the evolution of U.S. foreign policy over the period from 1946-2000, the guiding principles of U.S. actions can be identified. By comparing the policies of the Cold War and the Post-Cold War period it appears that the underlying philosophy of U.S. foreign policy has not changed. The philosophy is that, regardless of ideology, the U.S. is going to support regimes that are strategically important to the U.S. interest. Such constancy is evidenced by the continuing support of the U.S. for Third World dictators. Given the prevalence of Realist-minded politicians in the U.S. government, that result should not be surprising. The only reason that this finding is relevant is that is contrary to the public face given to U.S. foreign policy.

The rhetoric surrounding U.S. policy has changed only slightly since the end of the Cold War. Foreign policy in the Post-Cold War era has taken on more of a missionary flavor, as opposed to the combative stance taken throughout the Cold War. Despite the rhetoric, though, U.S. actions have had a minimal effect on the actual growth of the democratic community. Internal pressures and economic growth have shown to be more influential in democratic transitions than has U.S. involvement.

This finding can support two conclusions: either the policy learning cycle of the U.S. government does not work in regard to foreign aid or that the policy is designed to protect strategic U.S. interests rather than to engender democratic transitions. Given the hegemony of the U.S., it is not likely that its foreign policy learning cycle is broken. The

² Pew Research Center for the People and the Press. "A Year After the War; Mistrust of America in Europe Ever Higher, Muslim Anger Persists." March 16, 2004. Available on the World Wide Web at

U.S. has maintained its ability to project its interests and force on a global scale since the early part of the twentieth century. While U.S. foreign policy has faltered on occasion it cannot be said to have failed. Rather, the more likely explanation for the disparity between the rhetoric surrounding U.S. foreign policy and the success of the U.S. at creating democracies is that democracy is a secondary consideration to U.S. foreign policy makers. Economic and defense issues are primary considerations. Whether those interests are secured with democratic allies or totalitarian allies is far less important.

The root causes of democracy are fertile ground for scholarly debate. Huntington, Dahl, Moore, Lijphart and Rostow,³ among others, have all written about the factors that must be present to establish a democracy. Moore's work, for example, illustrates the role a country's social context in the development of political structures. Those works examine the role of religion, economics, military action and international influence as various causes of democratic transitions. What is not examined in detail is the role of the United States in regard to democracy. This study fills that void by examining the role played by the U.S. in the international spread of democracy. It also examines the point at which U.S. rhetoric and U.S. actions diverge. Also, an alternative model of democratic evolution is proposed.

(<http://people-press.org/reports/display.php3?ReportID=206>)

³For studies on the causes of democracy, see Samuel P. Huntington, *Clash of Civilization and the Remaking of World Order*, (New York, NY: Simon & Schuster, 1996); Huntington, *The Third Wave: Democratization in the Late Twentieth Century*, (Norman, OK: The University of Oklahoma Press, 1991); Robert A. Dahl, *On Democracy*, (New Haven, CT: Yale University Press, 1998); Barrington Moore, Jr, *Social Origins of Dictatorship and Democracy: Lord and Peasant in the Making of the Modern World*, (Boston, MA: Beacon Press, 1966); Arend Lijphart, *Patterns of Democracy: Government Forms and Performance in Thirty-six Countries*, (New Haven, CT: Yale University Press, 1999); and W.W. Rostow, *Stages of Economic Growth*, (London: Cambridge University Press, 1960). This is not an exhaustive list of literature exploring the nature of democracy. Rather it serves to illustrate the breadth and depth to which the subject has been studied.

Throughout the Cold War, the United States approached its global dealings with ruthless efficiency. It labeled regimes as good or bad based, not necessarily on ideology, but on their relations with the U.S.S.R. Countries that were of strategic importance to the U.S. were given attention and aid, while those that were of no such use were relegated to the far reaches of U.S. policy concern. The primary goal of U.S. actions abroad was to reduce the influence of the U.S.S.R., not necessarily the exportation of democracy.

Since the end of the Cold War, the U.S. apparently has taken a more proactive approach in bringing democracy to unlikely places. The National Security Strategy of Enlargement and Engagement,⁴ put forth by the Clinton administration, switched gears on the established foreign policy practices of Washington, DC. Instead of advocating an adversarial approach to foreign affairs, the policy's stance was that through economic and diplomatic encouragement, the U.S. could, in fact, encourage entrenched authoritarian regimes to liberalize. The Engagement strategy presaged several changes in the international affairs of the U.S.

After almost fifty years of bad-cop, good-cop foreign policy, the U.S. seemingly wanted to shift into a "can't we all get along" policy; a return to Kantian ideals of Democratic Peace.⁵ The prevailing attitude among policy makers appeared to be that the more democracies in the world, the fewer violent conflicts would emerge. In this new era, the U.S. was positioning itself to be a first among equals, the equals being comprised of the community of democracies that either currently existed or that the U.S. would

⁴ The White House. *National Security Strategy of Engagement and Enlargement*, (Washington, DC: GPO, February 1995)

⁵ Immanuel Kant. "Perpetual Peace: A Philosophical Sketch," *Classics of International Relations*, 3rd edition. John Vasquez, ed. (Saddle River, NJ: Prentice-Hall, 1996), 368-376

eventually help to create. The policy approach of the Clinton administration hinged heavily on economic incentives as the impetus for governmental reform.

The Engagement strategy met an abrupt end during the early years of the Bush II administration. After the attacks of September 11, 2001, the U.S. government quickly reverted to what can be termed a neo-containment policy. The Bush Administration quickly implemented a "with us or against us" approach to its dealings on the global stage.⁶ The result has been increased tension among numerous members of the international community. Though the credo of the Bush administration is heavily shrouded in the rhetoric of democratization, it appears that re-establishing the hegemony of the U.S. and its military far outstrips any concern for increasing the democratic community.

Research Questions

The broad context of the research question for this study is the role of the United States' foreign policy in bringing about democratic transition. The demarcations in policy for this study are the Cold War (1946 – 1991 roughly) and post-Cold War (1991-2000) eras. These periods are used because each represents a sea change in America's power and position in the world. The end of World War II left the U.S. and the Soviet Union at opposite ends of the political spectrum and competing for global preeminence. The end of the Cold War culminated in the fall of the Soviet Union, leaving the U.S. alone atop the international power structure. There are two main hypotheses addressed in this study.

H1= U.S. economic and military aid historically has had little or no effect on democratic regime change.

⁶ Following the attacks of September 11, 2001, President Bush made a number of public addresses which centered on the "With us or against us" theme. Among them were the Address to the Joint Session of Congress and the American People, September 20, 2001. Available on the World Wide Web at (<http://www.whitehouse.gov/news/releases/2001/09/20010920-8.html>) and the Anti-Terrorism Summit in Warsaw (November 6, 2001)

Democracy can be looked at as a governmental species. All democracies have certain traits in common: respect for rule of law, open participation and contestation. There the similarities end. Much like animals, democracies must evolve to fit the context in which they exist. As a result, an American style democracy would not be likely to survive in the United Kingdom and a Japanese style democracy would not survive in the U.S.

It is contended that the most successful democratic transitions evolve from the within the country, as opposed to being imposed from without. For this reason, the contending hypothesis is that, regardless of the effort, the U.S. cannot encourage democratic regime change through military or economic aid. It may be possible to assist countries in advancing their economic or trade positions in the world, which may in turn, have an effect on the regime. The ultimate determination of democracy, however, must be a process that derives from the state and its citizens.

An argument can be made that some regimes (Japan, Germany and Austria for example) did, in fact, become democracies at the hands of foreign "encouragement." The difference here lies in the circumstances surrounding the transitions of those polities. The three countries mentioned became democracies after losing World War II and surrendering unconditionally. The argument here is that countries that have not sacrificed any portion of their sovereignty cannot be made into democracies by external forces alone.

H2= Despite policy rhetoric, the enlargement of the democratic community is not a primary objective of U.S. Foreign policy.

The United States does desire democratic transformations, but its main purpose in international relations is to shore up American strategic objectives. Should those

objectives be accomplished in conjunction with regime liberalization, then all the better. But an almost slavish rhetorical devotion to democracy should not be taken to mean the U.S. will act to secure democracy at the cost of its own national objectives. U.S. actions provide researchers with abundant examples of the U.S. acting in ways that belie any intentions towards democratic assistance. Some examples include U.S. involvement in Guatemala in the early 1950s, supporting the Shah in Iran, supporting Noriega in Panama, economic assistance to Egypt despite alleged support of terrorist groups, and continued support of the Saudi and Pakistani regimes.

In Chapter 2, the methodology of the study will be discussed. In this chapter I will provide the definitions and variables used in the study, as well as a discussion of the limitations of the methodology. Next, an examination of the existing literature on the subject of democracy and its causal factors will be presented. Additionally, that chapter will discuss the evolution of U.S. foreign policy between 1946-2000. In Chapter 4, a comparison of Cold War and Post-Cold War foreign policy will be conducted. The policies will be compared on a number of factors including the goals of the policies and their effect on global adoption of democracy.

In Chapter 5, the relationship between U.S. aid and democracy will be examined. In this chapter both economic aid and military aid will be studied to determine their effect on its recipient. This will be compared with the U.S.' strategic interest in that country. Economic and military aid will be defined in more detail in the methodology chapter. Based on the effectiveness of economic and military aid at engendering democratic transitions, a new theory of democratic evolution will be proposed. Lastly, Chapter 6 will provide a discussion of the effectiveness of U.S. foreign policy at encouraging

democracy, as well as examining the effect of U.S. foreign policy on creating international support for the U.S.

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Chapter 2

Methodology and Definitions

The purpose of this study is to explore the relationship between democracy and U.S. foreign policy. The methodology used applies a largely qualitative approach to the study in this regard. While this study does address the question of causation, there are some focused limitations with the method. Prior to discussing the methodology used it is necessary to define the terms, variables, and measures that are used in this study.

Definitions

Democracy

Due to the various scholarly interpretations of the definitions of democracy, it was necessary for this study to find as objective a measure as possible. That definition came from the Polity IV Project,⁷ which tracks regime change from 1800 to 2000 by measuring “indicators of democracy and autocracy.” Democracy, according to the Polity study is defined by the presence of three factors, namely “the existence of processes and institutions” through which citizens can affect their government, constrain the power that is exercised by the executive and guarantee civil liberties. Using these criteria, the researchers derived democracy and an autocracy score for each polity. These scores were combined to create a “polity” score that ranges from –10 (high autocracy) to 10 (high democracy).

⁷ Keith Jagers, Monty G. Marshall, and Ted Robert Gurr. [online] *Polity IV Project: Political Regime Characteristics and Transitions, 1800-2002*. (Center for International Development and Conflict Management: 2003) Available on the World Wide Web at (<http://www.cidcm.umd.edu/project.asp?id=18>)

For the purposes of this study, any country that has a polity score of one or higher will be considered a democracy. Though this may seem an arbitrary boundary, the decision to delineate democratic governance at the score of one is made because, according to the scale, a score of -10 to -1 is indicative of a polity that is toward the authoritarian end of the spectrum. China in 1940 for example, was assigned a polity score of -5, indicating that the country is authoritarian in nature. A score of zero denotes a country that cannot be described as either democratic or authoritarian; rather it is a “middle-of-the-road” score. In 1967, El Salvador had a 0 polity score. Those countries that have a score of one or higher, such as Fiji in 1997, are said to have more democratic traits than authoritarian ones and are therefore considered democracies.

The Polity dataset also includes some scores that denote special polity circumstances, such as transition, in which executive or legislative authorities are putting new institutions in place. Countries that are in this situation are more likely to institute democracy than under other “special conditions.” This period is indicated by a score of -88. Argentina in 1956 is an example of a country assigned an -88 score, indicative of transitive periods. A condition called “interregnum”, in which there is a total collapse of central authority as was the case in Laos from 1961-72, is represented by -77. Lastly, a circumstance in which a country’s government is suspended or interrupted, such as an occupation that is ended by the re-establishment of the pre-occupation polity, is represented by the score -66. An example of such a case might include Belgium in 1939.

The Polity IV Database measures several factors relevant to social structure and therefore to civil society. Among those measured by the Polity IV database are the regulation of political participation and its competitiveness. In many countries, political

participation is regulated according to social or class position, which in turn was predicated upon religion, ethnicity or socio-economic status.

The Polity IV Database places regimes into five types depending upon the degree of openness of the electoral process. The first is called "repressed" government, in which there is no real opposition to the sitting government. A "suppressed" regime is one in which opposition exists, but its participation is so limited as to exclude at least 20% of the adult population. "Factional" governments include those with religious or ethnic groups competing for influence without the compromise that is often seen in pluralist societies. A polity is defined as "transitional" when it is in process of changing from one form of government to another. Lastly, a polity can be defined as "competitive" if it has regularly occurring elections, peaceful transfers of power, and lasting, secular political parties.

U.S. Foreign Policy

U.S. foreign policy is somewhat easier to define. Foreign policy is the framework that governs the interactions between states. In this context, the definition of U.S. foreign policy is defined by the extent that the policy deals with economic and military aid to other countries and its use of the ideal of democracy as the platform for its policies. This is not to imply that the level of aid given by the U.S. is a complete measure of interest in a country or region. Certainly there are other factors at play.

While military interventions are certainly an instrument of foreign policy, defense policy is not an integral part of this study. The paradox of using military force to institute democracy renders its use in this study tangential to the root questions: do U.S. policies

encourage democracy in other states? Is there a peaceful way that the U.S. can transform regimes, or must U.S. led democratic transition be the result of military action?

In order to determine the foreign policy objectives of the United States, National Security Council documents, speeches and statements made by administration officials and representatives, presidential speeches and papers, and Administration releases and publications are studied. These sources are public documents and represent administration positions, and as such they may be more reliable indicators of the objectives and strategies of the respective administrations than other secondary sources.

U.S. Involvement

While U.S. involvement can take on many meanings, in the context used here it is defined as the level of economic and military aid the U.S. provides to a particular state. This definition is purposefully narrow. The U.S. is active in states in matters not related to aid; diplomatically or militarily, for example. Diplomacy presents difficulty in terms of measurement. Certainly the size of the diplomatic delegation assigned to the country is one measure, though it is difficult to determine the content of that diplomatic involvement. Without knowing what diplomatic actions are taken, determining the effect of diplomatic involvement would primarily be conjecture.

Military involvement is discussed tangentially, though it is not a primary focus of this study. The imposition of the U.S. military into a state tends to skew the normal behaviors of that state. Such a scenario has played out in a variety of places ranging from Vietnam to Somalia. Historically, with some limited exceptions, the involvement of the U.S. military has not presaged democratic change, nor even regime liberalization.

Economic Aid

Economic aid, as used in this study, is aid defined by the U.S. Agency for the International Development in its annual report, *U.S. Overseas Loans and Grants [Greenbook]*.⁸ According to the Greenbook, economic aid is comprised of those funds which are donated to countries and fall into the following categories; funds that are given by either U.S.AID or its predecessor, food aid, Peace Corps funds, narcotics controls and “other active [aid] programs”.

Military Aid

Similarly, military aid is defined according to the constraints identified by U.S.AID. U.S. Aid defines military aid as funds deriving from programs such as Credit Sales under Foreign Military Sales Program, Military Assistance Program Grants, Peacekeeping Operations, Cooperative Threat Reduction and similar programs. Intuitively, it would appear that military aid and democracy have little to do with one another. Nonetheless, because this study measures the effect of U.S. foreign policy on democracy, the measure is included.

Gross Domestic Product

In some instances, the growth of Gross Domestic Product (G.D.P.) will be used to determine if economic aid had an impact on the growth of the economy, which is seen by some as a prerequisite to democratic change. Gross Domestic Product is defined as the final value of all the goods and services produced within a country in a given year. This differs from the Gross National Product (G.N.P.) measurement in that G.N.P. accounts for all of the factors of production, even if those factors are located outside the country.

⁸ United States Agency for International Development. (online) “U.S. Overseas Loans and Grants 2003 [Greenbook]” Available on the World Wide Web at (<http://quesdb.cdie.org/gbk/home.html>)

For example, the earnings of citizens working abroad are accounted for in the G.N.P. measure.

Methodology

Causation

In Mills⁹ method of causation, he denotes three factors as necessary for proving cause and effect: the cause must precede the effect, the two have to be related and other explanations for the event must be eliminated. It is not necessarily the case that the U.S. foreign policy precedes democracy, but the temporal requirement can be addressed by using the foreign policy as the "test" in a modified pre- and post-test analysis. This study focuses on two time periods, the Cold War era from 1946-1991 and the post-Cold War years from 1991-2001 specifically because of the projection and extension of the U.S. foreign policy in the latter period. By delineating the study in this manner, U.S. foreign policy does precede the studied effect, governmental change.

The last two factors of causal analysis are questions addressed in this study. In an effort to establish a relationship between U.S. foreign policy and the growth of democracy, it is evident that other factors do play a role in that process and cannot be eliminated. The question is whether the relationship between U.S. policy and democratization is a direct or an indirect one. In other words, if economic development is a prerequisite for democratic development does U.S. foreign policy boost the former and therefore spur the latter? If this were the case then U.S. policy would be a cause of the democratic change, even though it was not a direct cause. In another major departure

⁹ See Thomas D. Cook and Donald T. Campbell. *Quasi-Experimentation Design and Analysis Issues for Field Settings* (Dallas, TX: Houghton Mifflin Co, 1979) for discussion of social science research methods and issues of causation.

from Mills' approach, this study does not attempt to identify a single cause. Rather, the questions here center on whether or not U.S. policy is one cause among many.

This study relies more on Gasking's¹⁰ ideas of causation. Gasking's work likened the cause and effect relationship to a recipe in which the baker did not need to understand the interrelationships between the ingredients. He simply needs to know what the ingredients are and put them together. Similarly, the question asked here is primarily whether or not U.S. foreign policy is in the mix, so to speak, and conversely, whether democracy is a primary ingredient in U.S. foreign policy. The idea here is that there may be more than one factor that determines the likelihood of a democratic transition. Gasking's ideas have much in common with the conjunctural cause school of thought. Conjunctural cause indicates that a "particular combination of causes"¹¹ act together to create a specific outcome.

The plural theory of causation is integral to the study of democratization for several reasons. The most prominent among them is that there is not a method through which all of the factors that may contribute to democratization can be isolated. One cannot isolate a subject and test the variables one by one to determine which is the factor that results in democracy. Without isolating the causes it is difficult, if not impossible, to determine if one variable is solely responsible for the democratic changes taking place within a country.

¹⁰ Douglas Gasking. "Causation and Recipes," *Mind*, 64 (1955): 479-87

¹¹ John Gerring. [online] "Causation: A Unified Framework for the Social Sciences," A Paper prepared for the annual meeting of the American Political Science Association Philadelphia, PA. (August, 2003). Available on the World Wide Web at (www.bu.edu/polisci/JGERRING/causation.pdf)

Discussions of cause in social science are numerous.¹² Gerring¹³ argues that, despite the apparent differences in the theories, causation can all be distilled to one primary question: Does the presence of a particular event or condition raise the probability of some particular outcome occurring? Berry¹⁴ agrees that the many methods of causation can be complementary, rather than competing. He goes further to create a consolidated definition of cause, based on what he sees as the four major schools of causal theory: Regularity Theory, Counterfactual Theory, Manipulation Theory, and Mechanisms and Capacities. By combining these theories, Berry develops a four-pronged approach to determining causation. Berry's approach to causation includes the following components:

- 1) Constant conjunction of cause and effect (Neo-Humean Regularity Theory)
- 2) No effect when the cause is absent (Counterfactual Theory)
- 3) The effect occurs after the cause is manipulated (Manipulation Theory)
- 4) Activities and processes linking the cause and the effect (Mechanism and Capacity Theory)

In keeping with Berry's notion of causation based on the four schools of theory on causality, the factors listed above will serve as the determinants of causation here. In other words, the questions to be answered in order to determine if the U.S. is a factor of democratization are: 1) Is U.S. involvement always present when countries democratize? 2) Do countries fail to democratize in the absence of U.S. influence? 3) Does

¹² For discussions of causation see Carl G Hempel, *Aspects of Scientific Explanation*, (New York, NY: Free Press, 1965); David Lewis, *Counterfactuals*, (Cambridge, MA: Harvard University Press, 1973); Gasking, (1955); Peter Menzies and Huw Price, "Causation as a Secondary Quality," *British Journal for the Philosophy of Science Vol. 44 No. 2* (1993): 187-203; Margaret Mooney Marini and Burton Singer, "Causality in the Social Sciences," *Sociological Methodology, Vol 18*. (1988): 347-409.

¹³ Gerring (2003):7

¹⁴ John Berry, [online] "Models of Causal Inference: Going Beyond the Neyman-Rubin-Holland Theory," A Paper Presented at the Annual Meetings of Political Methodology Group, University of Washington,

democratization occur after the levels of U.S. involvement have increased? and 4) Are there processes in place that link U.S. involvement to the development of democratic practices?

Phenomenology

The nature of the research approach in this study is such that the variables can be neither excluded nor manipulated, which is the generally accepted practice in both experimental and quasi-experimental research. Nor is there one event that can be used as the "test" event in a pre- post-test longitudinal study. Rather than falling neatly into the experimental research category, this study is more reflective of the descriptive phenomenological school of research.

Husserl¹⁵ describes phenomenology as progressing from "intuitively given [concrete] data to heights of abstraction." Rather than constrain the question being researched into a narrow focus on one or two manipulatable variables to test the hypothesis, descriptive phenomenology depends on the observance of the entire event. Phenomenology seeks to strip the preconceived notions of why events occur, and to observe the events themselves. By doing so, Phenomenology holds that a greater understanding of the events, and the actors, can be gained.

This study can be characterized as phenomenological in that, in order to discern the true intentions of the U.S. and the true effect of U.S. actions, preconceptions of U.S. interests and objectives must be suppressed. For example, if U.S. rhetoric supports the notion of the U.S. acting in a manner consistent with supporting democracy, one must resist the notion to accept that at face value. By examining the actions of the U.S.

Seattle, Washington. (July, 2002). Available at the World Wide Web at (<http://polmeth.wustl.edu/retrieve.php?id=87>)

abroad, and the effects of those actions, one can gain a better understanding of the goals of U.S. foreign policy.

Certainly using a phenomenological approach to the questions addressed here sacrifices something in terms of rigor. The approach opens the door for subjectivity as regards the interpretations of patterns and relationships. Had this study been intended as a conclusive answer to the question of the role of the U.S. in democratization, a phenomenological approach would not have been appropriate. This study, however, is meant merely to shed new light on an old question. Further study on the relationships defined here might include more intensely quantitative approaches or case studies.

Research Design

On a macro level this study gathers data on economic growth, international trade, education and democracy from known, publicly available resources. From these data and the patterns that emerge, theories or abstractions are derived to address the specific question of democracy as an objective of U.S. policy. A qualitative comparison between Cold War and post-Cold War U.S. foreign policy is conducted. Although the comparison between the two periods is conducted for purposes of showing the continuing stance of the U.S. on the issue of democratization, this research is more focused on the relation between American actions and the resulting effect on global democratization. A qualitative approach is used, again, to determine the rate at which policy actions diverge from policy statements. However, empirical evidence is also used to determine the relationship between American actions, military and economic, and the adoption of democratic governance.

¹⁵ Edmund Husserl. "Phenomonology," *Journal of the British Society for Phenomenology* 2 (1971): 77-90

To determine the relationship between U.S. involvement and the adoption of democratic governance, the U.S. aid which flows to a particular country is examined and compared to the change in the Polity IV “Polity” score. Specifically, regression analysis is performed to determine the degree to which changes in the amount of aid contributes to fluctuations in the polity of the recipient country. To assess whether or not U.S. actions effect regime change in other states, a comparison is made between the involvement of the U.S. in countries that did become democracies and those that did not. The relationship between U.S. aid, both military and economic, is studied with respect to a variety of development indicators. From the patterns that emerge, conclusions are drawn regarding the effect of American aid on democracy.

Time Periods

While democracy has long been touted as the foundation of U.S. policy, this study is limited to two distinct periods of time, the Cold War and the Post-Cold War eras. The Cold War era is defined as 1946-1991. These dates are used for two reasons. The first is that, despite the best efforts of Woodrow Wilson and his foreign policy, it was not until after World War II that the U.S. realized its unique global position and its foreign policy became more externally focused and proactive.

The second reason this period is chosen is that it represents the period of time in which U.S. foreign policy was primarily focused on countering the spread of Communism as an ideology, both the Soviet and Chinese versions. The logical counter to the expansionist nature of Communism is to attempt to expand U.S., democratic influence. The fall of the Berlin Wall in 1989 presaged the fall of the Soviet Union and,

at that point, U.S. policy makers began to look more towards capitalizing on this democratic opening then playing geopolitical chess with the crumbling Soviet regime.

The Post-Cold War era is that period of time from 1991 to 2001. The 2001 delineation is made because more recent data are unavailable. Using these two periods as the basis of comparison does have one large obstacle; the two periods are unequal. The Cold War lasted almost fifty years, whereas the Post-Cold War period has only eleven years of experience from which to draw lessons. There is no clear way to overcome this imbalance, and so it is another constraint on this study.

Regression Analysis

In order determine the degree to which American aid accounts for changes in the recipient countries' democratic stance, this study employs regression analysis.

Regression analysis expresses the relationship between variables and allows the researcher to know the extent to which an outcome can be predicted based on the variables associated with that outcome. According to Kachigan, regression analysis has four primary goals. They are 1) To determine if a relationship exists between two variables; 2) describe the nature of that relationship; 3) assess the accuracy of the description achieved by the regression and 4) in the case of multiple regression, to determine the relative relationship of predictor variables.¹⁶

In order to determine the relationship of U.S. aid to the growth of democracy, regression analysis is conducted comparing change in democracy score over the period with the total amount of aid given. Additionally, the effects of economic aid and military aid are studied separately.

In some cases, the Polity IV score assigned to the country in a particular may fall outside of the range defined; -10 to 10. As discussed earlier, periods during which the normal functioning of the government is interrupted for some reason are reflected by scores of -88, -77, or -66 depending on the cause of the interruption. There are 290 cases out of 6954 total cases in which the score awarded to the country is outside of the normal range. These outliers represent less than 5% of the total cases in the sample. There are two options for dealing with these outliers to prevent the results from being skewed; assign them a neutral value within the scale or remove these cases from the regression analysis.

The Polity scale is constructed in such a manner as to assign polities a place along a spectrum of government ideology. The countries can then be categorized as democratic or authoritarian. The Polity scale ranges from -10, which is highly authoritarian to 10 or highly democratic. Within that range, there are some countries that have been assigned a value of zero, meaning that they cannot be categorized as either authoritarian or democratic. The problem with assigning the outlying cases the neutral value of zero is that it renders arbitrary the score for which the dataset creators had an objective measure. It may also create the appearance of a trend or relationship that does not actually exist.

The other option is to remove the outlying cases from the sample before the regression. The cases in question represent only about 4% of the total sample. Removing these cases will mitigate the likelihood of skewing the results of the regression. Likewise, it will not alter the existing constructs that were used to create the

¹⁶ Sam Kash Kachigan. *Statistical Analysis: An Interdisciplinary Introduction to Univariate and Multivariate Methods*. (New York, NY: Radius Press, 1986)

original Polity scale. Therefore, for the purposes of this study, the cases that were originally assigned a -88, -77, or -66 will be removed from the regression analysis.

DR. HEATHER MARK

Chapter 3

Conceptual Framework and Policy Background

This chapter lays out the conceptual framework upon which the study is based. The existing literature surrounding the development and maintenance of democratic governments is discussed and analyzed. Factors at play in the process of democratization include economic factors, civil society and class structure, and religion. A discussion of policy learning and change is presented. The evolution of policy from the Cold War to post-Cold war era is described. This chapter also establishes the foreign policy background for both the Cold War and post-Cold War eras.

Given the intangible nature of democracy it can be somewhat difficult to create an objective measure. For that reason, the measure of democracy employed in this study is the Polity IV Dataset, compiled by Jagger and Marshall. The Polity Project's measure of democracy is based on executive recruitment, independence of executive authority and, political competition and opposition. Because the Polity dataset accounts for both structural and procedural factors in its determination of states as democracies, this is the definition that will be used for the purposes of this study.

The Polity dataset also takes into account group integration in the specific polity. This is important as it relates to civic participation and the effect of domestic social movements on regime liberalization. Not only does the Polity dataset account for group integration, it also measures the incidence, if any, of armed, anti-regime groups that act within a polity. This is a notable measure because groups that are forced to act outside

the system generally do so due to lack of responsiveness, real or perceived, from that system. The terrorist acts of the Irish Republican Army in England and Ireland, the "Shining Path" in Peru, and the Basque Separatists in Spain are examples of groups that have resorted to terrorist acts because they have no legitimate voice in the system that governs them. While the existence of terrorist groups itself is not evidence of a non-democratic regime,¹⁷ the number of armed organizations in a society may indicate the level of plurality that the country will tolerate.

The dataset illustrates very effectively the changing geo-political climate throughout the twentieth century. For example, between 1950 and 2000, there was almost a 64% increase in the number of democracies of the world. Figure 3.1 illustrates the growth of democracy throughout the twentieth century.

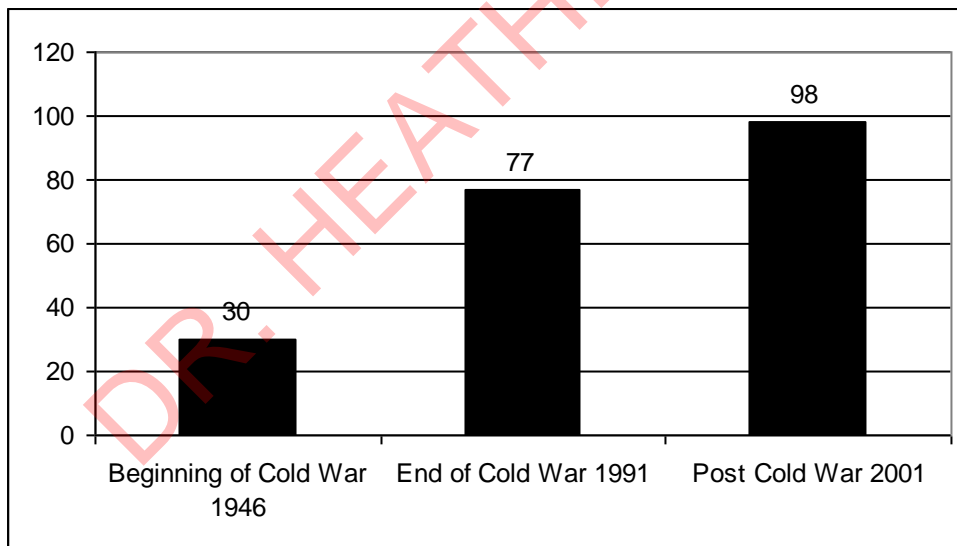


Figure 3.1: Growth of the Democratic Community in the Late 20th Century. Source: Polity IV Dataset CICM

¹⁷ Certainly there are democratic regimes that have trouble with domestic terror groups. The Basque Separatists and the Irish Republican Army are both examples of domestic terror groups operating in democratic countries. Members of domestic terror groups have attacked even the U.S., the example of democracy held forth by U.S. politicians.

Though the U.S. was active in its own hemisphere throughout the nineteenth and early twentieth centuries, it can be said that it was not until the latter half of the twentieth century that the U.S. became a global actor. As the U.S. was not overly involved in world politics prior to the end of World War II, the impact of American foreign policy cannot be measured on global democratization until after the Second World War. Only then did the U.S. take an active interest in surrounding Communist countries with pro-U.S., or at least anti-Communist, countries while presenting democracy as an alternative to Communist ideology. It was not, however, until after the Cold War that the U.S. presented a policy of actively exporting democracy. Figure 3.1 illustrates a corresponding increase in the number of democracies. The two periods, the Cold War era and the post-Cold War era will be compared to measure the influence of U.S. policy on democratic transformations around the world. Such a comparison may reveal the degree to which the U.S. is responsible for the increase in democracies throughout the twentieth century.

Alternatively, it may reveal that over the course of the last half-century, the role of the U.S. in democratization has been tangential, at best. In that case, weight must be given to the idea of what may be termed "Democratic Darwinism." The idea behind Democratic Darwinism is that political systems evolve and that the "most fit" survive. Again borrowing from the theories of evolution, it could also be contended that governments develop in such a way as to address their specific environments. Further, it suggests the idea that political systems may take root, not because they are seen as the "one true way," rather that states are turning to these political systems because others have already proven unsuccessful. For example, the crusading nature of American foreign policy may lead some to believe that democracy has prevailed because it is

superior to other forms of government, when in fact it may simply be that democracy is spreading because there is no other choice. It is merely the idea that for this era, with these sets of circumstances, democracy is proving to work better than other political ideologies.

In order to investigate the causes of democratic transition, it is first necessary to define democracy itself. The definitions are many and varied. Some, like Dahl,¹⁸ base their definitions on the processes involved. Dahl lists five criteria that must be met prior to a country being dubbed democratic: effective participation, voting equality, enlightened understanding, control of the agenda by those that are governed and, participation of all adults.

The definition of democracy used by the United States Agency for International Development (U.S.A.I.D.), an American governmental organization whose mission is the economic and democratic advancement of the developing world, draws heavily from Dahl's definition. U.S.A.I.D. states that a democracy can only exist when four conditions are met: they are rule of law, civil society, elections, and governance.¹⁹

Clearly, scholars agree on the intangibles of democracy, enlightenment and rule of law for example. There is also a need for participation, or civil society, without which governments could not be held accountable for their actions. Democratic processes must also be in place; elections and control of the agenda and voting equality. Fukuyama²⁰ describes the processes of democracy thusly: "a state is a democracy if it grants its people

¹⁸ Dahl, (1998)

¹⁹ United States Agency for International Development. [online] "Promoting Democracy and Good Governance" Available on the World Wide Web at (http://www.usaid.gov/our_work/democracy_and_governance/), 2003.

²⁰ Francis Fukuyama, *The End of History and the Last Man*. (New York, NY: Avon Books, 1992), 43

the right to choose their own government through periodic, secret-ballot, multi-party elections, on the basis of universal and equal adult suffrage."

Huntington found similar ways to define democracy. He wrote of a system that is democratic "to the extent that its most powerful collective decision makers are selected through fair, honest, and periodic elections in which candidates freely compete and in which virtually all the adult population is eligible to vote."²¹

Certainly, both the intangible and the tangible must be taken into account when defining a country as a democracy. Unfortunately, "enlightened understanding," which is frequently used as a defining factor, is far too nebulous to quantify. It goes further than simply a level of education, assuming a level of understanding in democratic theory, justice and similar intangible factors. This leaves those measuring democracy to rely on processes and structures and outcomes instead of ideology. Underlying all of the definitions, regardless of scholar, is the agreement that democracy is not static; it is the synthesis of a variety of ideals and beliefs. It is constantly changing yet the underlying structures and processes must remain intact if it is still to bear the appellation "democracy." Still, a working definition of democracy is required, so in addition to the Polity measure mentioned previously, Dahl's previously discussed definition of democracy will be used.

The early literature supposed that democracy was a natural occurrence and so did not take great pains to describe or explain its emergence. Having said that, however, traditional studies of democracy have tended to focus more on the domestic influences on liberalization rather than on the effects of external pressures. It is essential for a balance to be struck between the governors and the governed. Those that are governed must have

the ability to “bargain” with those in power. Without that ability, there is the danger of a regime, even a democratically elected regime, to become illiberal.²² The ruling class must know that they are somehow accountable for the actions that they take while in office. That balance is precarious and must be vigilantly attended in order to ensure the longevity of any democratic arrangement.

Given the fine balance between governed and governing, several factors must be taken into account when studying the proliferation of democracy. Among these factors are economic influences, civil society, political structures and the social influences and the position of the U.S. on the global stage. If American foreign policy is to be ruled in or out as a factor in democratization, then the development of that policy throughout the decade must be studied. However, American Foreign policy does not operate in a vacuum and it is for that reason that economic and social factors must also taken into consideration.

Economic Influences on Democracy

Democracy does not occur spontaneously. As can be seen from the American Revolution and the subsequent attempt at creating a democratic government, such transformations are not smooth. As the economic difficulties of the American states under the Articles of Confederation illustrate, an economy without order will often make the governance of a country difficult at best. There is an abundance of scholarly literature, including works by Diamond and Huntington,²³ studying the relationships

²¹ Huntington, (1991)

²² Fareed Zakaria, [online]“The Rise of Illiberal Democracy,” *Foreign Affairs* November/December 1997. Available on the World Wide Web at (<http://www.foreignaffairs.org/19971101faessay3809-p30/fareed-zakaria/the-rise-of-illiberal-democracy.html>)

²³ Explorations of the relationship between economics and types of governments can be found Larry Diamond and Marc Plattner, eds., *Economic Reform and Democracy*, (Baltimore, MD: The Johns Hopkins University Press, 1995); Huntington, (1991, 1996)

between economics and governmental type. For example, there is a strong correlation between capitalist economies and democratic governments. What has been more difficult to show is the exact nature of that relationship. Does the type of government determine the type of economy or must a particular economy be in place in order to turn out a matching governmental system? Does the overall health of the economy impact the nature of the government? In other words, if the economy is healthy, will that lead to a more liberal government? What impact do levels of trade or national production have on the government?

Country	1946 Score	2001 Score	Total Change
Albania	-9	5	14
Bolivia	-5	9	14
Bulgaria	-6	9	15
Dominican Rep	-9	8	17
Ecuador	-1	6	7
El Salvador	-8	7	15
Ethiopia	-9	1	10
Honduras	-3	7	10
Iran	-1	3	4
Mexico	-6	8	14
Mongolia	-9	10	19
Nepal	-3	6	9
Nicaragua	-8	8	16
Panama	-3	9	12
Paraguay	-9	7	16
Portugal	-9	10	19
Spain	-7	10	17
Thailand	-3	9	12
Uruguay	0	10	10
Venezuela	-3	6	9
Yugoslavia	-7	7	14

Table 3.1: Democratic Transitions 1946-2001. Source: Polity IV Database

Capitalism is often seen as the intersection of democracy and economics. With some notable exceptions, China and Fascist Spain among them, the two appear to enjoy a symbiotic relationship in which the reliance on rational self-interest carries the day. It is seemingly unavoidable, then, that one might ask which came first to a particular country, the free market economy or the democracy in which it functions. Regardless of the

temporal relationship between the political and the economic, when one examines those countries that have been consistently democratic throughout the twentieth century, a pattern of economic behavior can be detected.

Table 3.1²⁴ lists the countries that have experienced some democratic transitions between 1946-2001. Though some of these countries are still in the throes of transition and the success of those transitions is still in doubt, they all share one fact in common. Prior to, or contemporaneously with, the governmental reform, economic reforms were also enacted. The countries in the list all attempted to institute three basic economic traits; namely a relatively free market,²⁵ participation in international trade, and disbursement of income. From these three underpinnings stem a variety of characteristics that scholars deem necessary for democracy, yet these three conditions remain necessary predecessors. Olson²⁶ notes that capital seeks out stable democracies while authoritarian or even temporarily democratic countries have great difficulties in attracting capital. While China's experience may give lie to that theory, the fact that democratic countries have higher Gross Domestic Products (GDP) and higher instances of international economic involvement further bolster this argument.

The literature on democratization indicates that most instances of democratic reform coincide with economic reforms.²⁷ Dahl,²⁸ who emphasizes the inherent

²⁴ This table illustrates those countries that, in 1946, were on the "autocratic" end of the Polity Scale. These countries had scores of -1 or less in 1946, but 1 or higher in 2001. This does not include countries that began and ended the period in question on the autocratic end of the spectrum.

²⁵ While the term free market is a relatively vague term, it will be understood for the purposes of this paper to mean an economic system in which the forces of supply and demand, as well as competition, hold more sway over economic developments than does government policy.

²⁶ Mancur Olson. *Power and Prosperity: Outgrowing Communist and Capitalist Dictatorships*. (New York, NY: Basic Books, 2000): 99

²⁷ There is a variety of literature on the sequence of economic reform and democratic transition. See Stephan Haggard and Robert Kaufman, "The Political Economy of Democratic Transitions," *Transitions to Democracy*, Lisa Anderson, ed. (New York, NY: Columbia University Press, 1999): 72-96; Joan M.

contradictions between democracy and capitalism, does not deny that the two concepts are irretrievably entangled: " we cannot escape the conclusion that a market-capitalist economy, the society it produces, and the economic growth it typically engenders are all highly favorable conditions for developing and maintaining democratic political institutions." It is interesting to note that even those American institutions that are dedicated to the spread of democracy place an almost inordinate amount of emphasis on the construction of economic infrastructures.

U.S.A.I.D., the American agency that is charged with assisting countries in transitioning to democratic governance, cites stabilizing the economy and developing or strengthening economic structures as one of its main focuses when assisting a country. In fact economic stabilization is first on the list. U.S.A.I.D.'s first priorities are privatizing state-owned industries, reforming the governments macroeconomic and fiscal policy and developing both the private financial sectors and energy policy.²⁹ Carothers states that U.S.A.I.D. remains focused on the link between foreign aid and economic change as the catalyst for governmental change; "...aid was expected to produce economic development, which in turn was expected to foster democracy."³⁰ Upon the collapse of the Soviet Union in 1991, President George Bush attempted to shift American foreign policy from a concentration on political ideology (i.e. liberal democracy vs. authoritarianism) to a concentration on economic systems (i.e. free market vs. command economy). Indeed, many scholars agree that economic liberalism is necessary for

Nelson, "Linkages Between Politics and Economics," *Economic Reform and Democracy*, Larry Diamond and Marc F. Plattner, eds.(Baltimore, MD; The Johns Hopkins University Press, 1995): 45-58

²⁸ Dahl, (1998), 159

²⁹ United States Agency for International Development. [online] "About the U.S.AID Mission." Available from World Wide Web: (<http://www.usaid.org>)

³⁰ Thomas Carothers. *Aiding Democracy Abroad: The Learning Curve*. (Washington DC: Carnegie Endowment for International Peace, 1999): 21

governmental transition to a more open regime. Though an in-depth study of the relationship between economic liberalization and democratic transition will not be conducted in this study, it is interesting to note the seeming relationship between the two. The apparent correlation notwithstanding, it is the one between NOT liberalizing economically and a democratic failure that is more compelling. For example, Argentina made attempts at democratic governance several times during the twentieth century, only to experience a reversal of that momentary liberalization. It was not until its last effort at democratic transition that the government took steps to correct the country's economic ailments, as well. That country continues to struggle both economically and politically. Contrast that with the experience of a country like Denmark, which undertook constitutional reformation simultaneously with economic reform. Denmark, which admittedly had a more liberal starting point than did Argentina, had few relapses into illiberal governmental practices.

The point can be further illustrated using those countries that were absorbed into either the Nazi regime during World War II, or the Soviet Union. Examples of such include Latvia, Austria, Germany and Poland. The countries that were able to be co-opted into these authoritarian regimes were behind the curve in terms of economic development and were either easily overtaken militarily or were willing participants in the conversion of their country to anti-democratic principles. Germany, for example, was culturally strong and educationally advanced. In 1929, however, with the onset of the Great Depression, German workers were laid off by the thousands. As in the U.S., banks and financial institutions began failing and inflation soared. As Germany was largely dependent on foreign capital, the Depression quickly brought the German economic

machine to a halt. Capitalizing on the growing unrest of German workers, the National Socialist German Workers' Party gained in power. On September 14, 1930 the Nazi party won 107 seats in the German parliament. This victory made the Nazi party the second largest party in the government and marked the beginning of the rise of the Third Reich. Note that despite the education and strong culture of the Germans they were still susceptible to the lure of the Nazi Party.

The relationship of capitalism and democracy has been thoroughly studied and debated.³¹ It is clear that the relationship exists and the correlation is quite strong. When looking at countries that have been consistently democratic throughout the twentieth century (such as the U.S., Australia, England, France) certain economic similarities can be seen. Among these are a relatively free market, participation in international trade, and disbursement of income. The question here is: what is the role of the U.S. in the economic transformations that eventually lead to democratic changes?

The United States often declares itself the benefactor of the impoverished, downtrodden countries of the world. Ask any administrations' spokesperson and the common response will be that the U.S. gives more economic aid than any other "First World" country. That may well be true, however pumping cash into a country that does not have the infrastructure to support it does little to lift the country out of its present circumstances. The real question that must be answered is the extent to which U.S. assistance is directly responsible for the development of a liberal, sustainable economic system in a country that eventually became a democracy.

³¹ See Immanuel Wallerstein [online] "Democracy, Capitalism, and Transformation." Lecture at Documenta 11 Vienna, Mar 16, 2001. Available from the World Wide Web: (<http://fbc.binghamton.edu/iw-vien2.htm>) for a discussion of the relationship between capitalism and

Factors of Economic Stability

Much has been made of the connection between democracy and capitalism.

Indeed, there can be little argument as to whether the two are linked. There is a great deal of literature on the subject that argues that economic liberalization is necessary to sustain democratic changes.³² The question remains, however, is a capitalist, free market economy really necessary for democracy? If one looks at the current roster of democracies, one can see that capitalism is a common trait. While there are elements of government planning in each of the economies, from Japan to France and even the United States, at the core of their economic system is the element of economic self-determination. Regardless of the economic doctrine to which the government adheres, democracies do tend to share beliefs across the spectrum. As stated earlier, those tenets include the belief in a free market, free trade and fair income distribution. These beliefs are accepted as necessary to economic growth, which is in turn, one of the main structures of a successful democracy.

Huber et al puts forth one explanation for the relationship;³³ "Capitalist development...reduces the power of the landlords and strengthens the subordinate classes." As a result, the lower and middle classes are better able to organize socially and politically, weakening the bargaining position of the government. Assuming that the domestic political situation is a zero sum game, the bargain that is made between the

democracy. See Dahl (1998) for a discussion of the seemingly successful relationship between capitalism and democracy despite their theoretical inconsistencies.

³² Discussions of economic liberalization as a factor in democratization include Adam Przeworski, *Democracy and the Market*, (Cambridge; Cambridge University Press, 1991); Stephan Haggard and Robert R Kaufman, *The Political Economy of Democratic Transitions*, (Princeton, NJ: Princeton University Press, 1995); Jose Maria Maravall, "The Myth of the Authoritarian Advantage," *Economic Reform and Democracy*, (Baltimore, MD; The Johns Hopkins University Press, 1995); and Huntington, (1991, 1996).

³³ Evelyn Huber, Dietrich Rueschemeyer, and John D Stephens. "The Paradoxes of Contemporary Democracy: Formal, Participatory and Social Dimensions," *Transitions to Democracy*, Lisa Anderson, ed. (New York, NY: Columbia University Press, 1999), 168-192

government and the elite classes is severely compromised at that point. In such a situation, neither the elite nor the government has a hold on the minds of the people, thereby reducing the amount of authoritarianism that the people will accept. At that stage in the capitalist development of a country, the ruling regime must also begin to evolve, recognizing the increasing political cohesion of the masses, or lose power altogether.

Setting aside for the moment any Dependency vs. Modernization debates, one can recognize certain elements that must be present prior to a successful transition to democratic governance. Combing the existing research, there are several elements of economic transition that the majority of scholars agree must be present for there to be any hope of sustainable political liberalization. These factors can be grouped according to the transitional stage in which they occur.³⁴

The first several factors have at their heart the aim of restoring economic growth. It is imperative that inflation is controlled and that the government provides some stimulus for economic growth. Inflation's severely destabilizing effect on a burgeoning economy will stifle any nascent democratic tendencies. Trade and foreign investment must be encouraged. To accomplish that, however, the private sector must be given reign to expand and develop international relationships. The government must deregulate the private sector and privatize some of the government's own industries. These steps are necessary to provide a platform for growth, roughly equivalent to Rostow's pre-conditions for takeoff.³⁵

³⁴ Moises Naim. "Latin America: The Second Stage of Reform," *Economic Reform and Democracy*. Larry Diamond and Marc F. Plattner, eds. (Baltimore, MD: The Johns Hopkins University Press, 1995), 28-44. Though Naim describes the transition to an economically liberal state as occurring in two stages, it is being adapted here to take place in three stages, recognizing the importance of ongoing economic management of the state as essential to the maintenance of democratic government.

³⁵ Rostow, (1966), 4-16

It should be noted that some exceptions do apply. For instance in Asia, the Four Dragons (Hong Kong, Thailand, Singapore and Taiwan) were able to outpace economic growth in the majority of the world, and did so with substantial help from protectionist government policies. Clearly, in these cases the government increased its participation in the market to create an environment in which technological and economic development could occur. However, once the native industries had developed to a point that they could compete internationally, the government began to dismantle the protectionist policies so international companies could then enter their market and drive innovation through competition.³⁶

The next step in developing an economy involves stabilizing the economic foundation of the country. Among the steps involved in this process are reforming labor practices, opening markets to make them more competitive, creating economic institutions, and reforming the country's public services (i.e., health care, education). The last two steps concern the continuity of the economic reforms. It is essential that the government commit to the reform. This step is perhaps the most elusive, for it is not only the current ruling party that must buy into the reforms, but all members of the government. If one party subscribes to the changes, but the others do not, at any transition in the ruling party, the economic reforms will likely come to an abrupt halt.

Once the government has accepted the political and economic necessity of economic reforms, it must communicate that message to the people. The government must focus on the state-society relations to strengthen the legitimacy of the government

³⁶ Cal Clark has written extensively on economic development and political stability in Asia. See Cal Clark, *Taiwan's Development: Implications for Contending Political Economy Paradigms* (Boulder, CO: Lynne Rienner Publishing, 1989); *Political Stability and Economic Growth: Case Studies of Taiwan*.

and the reforms. When the two are working towards the same ends, the reforms are more likely to be successful. The prime example of this is the reformation and split of Czechoslovakia into the Czech Republic and the Slovak Republic. Here, the people and the government of Czechoslovakia decided peacefully to split into two separate, sovereign states. Both the Czech and Slovak Republics are now parliamentary democracies.³⁷

In short, three goals must be met to establish a liberalized economy that will lay the foundation for democratic transition. The first is to take measures to stop the flight of capital from the country. Next, the economy must be stabilized. Lastly, the government must "sell" the reforms to the stakeholders, both within the government and without. This all seems fairly straightforward, but looks can be deceiving. In the case of transitioning countries, support must come not only from within, but from international sources. Countries that are less developed have fewer resources available to stabilize the economy and in some cases, the short-term pains of economic reform outweigh the long-term benefits. In these cases the U.S. and other countries have the opportunity to assist in the democratization of so-called lesser-developed countries (LDC).

Modernization Theory, perhaps the most prevalent one on the relationship between economics and democracy, and the writing of Rostow³⁸ and Eisenstadt³⁹ in particular, suggests that there is one path to democracy. Countries, according to Modernization scholars, can be helped down that path with contact from "modernized" countries. The endpoint of modernization is democratic governance.

(Dubuque, IA: Kendall Hunt Publishing, 1995) and *The Evolving Pacific Basin in the Global Political Economy*, (Boulder, CO: Lynne Rienner Publishing, 1992)

³⁷ Central Intelligence Agency. [online] *The World Factbook 2004*. Available on the World Wide Web at (<http://www.cia.gov/cia/publications/factbook/index.html>)

However, Modernization Theory pays very little attention to the state otherwise. The process of Modernization is defined by Eisenstadt⁴⁰ as the "process of change towards those types of social, economic, and political systems that have developed in Western Europe and North America from the seventeenth century to the nineteenth and twentieth centuries to the South American, Asian and African continents." The state is merely a mechanism by which the market is allowed to operate freely. The transformation from traditional society to modern, democratic one is solely the result of economic transformations.

In addition to taking into account the level of economic development within a country, it also is important to analyze the type of economy that functions within it. There is an inherent belief that the economy within a country is inextricably entwined with the type of government. Democracy goes hand-in-hand with a capitalist free market. The old adage "it takes money to make money" definitely applies here. Fukuyama argues that capitalism is the only viable economic mechanism. He states that it is easier to explain the spread of capitalism than to explain the apparent triumph of liberal democracy: "...capitalism has proven far more efficient than centrally planned economic systems in developing and utilizing technology, and in adapting to the rapidly changing conditions of a global division of labor, under the conditions of a mature industrial economy." From this perspective, the prospects for democracy in those developing countries appear dim.

Fukuyama⁴¹ argues that while capitalism is good for industrialized, modern countries, state socialism, such as can be found in Sweden, is the logical choice for those

³⁸ Rostow, (1966), 4

³⁹ S.N. Eisenstadt. *Modernization, Protest and Change*. (Englewood Cliffs, NJ; Prentice-Hall, 1966), 1

⁴⁰ Eisenstadt, (1966), 1

⁴¹ Fukuyama, (1992), 91

that are less economically developed. He states that Third World countries often looked to the Soviet Union as an example. Though not on the cutting edge of modern technology, that country had built an industrial, urban society through centralized planning. Hayek⁴² argues that in order to operate a directed or centralized economy, it must be "run along dictatorial lines. That the complex system of interrelated activities, if it is consciously directed at all, must be directed by a single staff of experts, and that ultimate responsibility and power must rest in the hands of a commander-in-chief whose actions must not be fettered by the democratic procedure." With the demise of the Communist regime in the Soviet Union the force of that example is gone. Though the government was able to build that society in less than a generation, it was unable to sustain it. Dahl⁴³ even notes that democratic countries are far more prosperous than those without democratic governance. For that reason, capitalism now seems the economy of choice.

Held⁴⁴ agrees with Fukuyama in saying that there appears to be no competing alternative to capitalism at the present time. However, he also notes several tensions between democracy and capitalism. Of primary concern, he states is the rule of law; "If the rule of law does not involve a central concern with distributional questions and matters of social justice, it cannot be satisfactorily entrenched, and the principle of autonomy and democratic accountability cannot be realized adequately." Knowing the limitations, then, on encouraging democratic change through market mechanisms another factor to consider in the role of democratization is the interaction of governments and Non-Governmental Organizations (NGOs), which will be discussed as a variable shortly.

⁴² Friedrich A. Hayek. *The Road to Serfdom*. (Chicago, IL: University of Chicago Press, 1944), 88

⁴³ Dahl, (1998), 58

While economic incentives are surely one important dimension, Huntington would note that it is just that. Indeed, he says that, "No single factor is sufficient to explain the development of democracy in all countries or in a single country."⁴⁵ Another very important aspect of democratization is the development of the civil society.

Civil Society and Democratization

The social changes required for democratic change are numerous and wide ranging. It is difficult, in many cases, to define them as simply social or economic. As economic development occurs, social changes also take place. Social changes are often slower to develop but ultimately have the potential to effect the greatest amount of political change.

The importance of social transformation in the democratization of a country cannot be underestimated. Take as a hypothetical example a country in which economic development has occurred. The country is now economically and fiscally sound and participates relatively freely in the international trading community. The ruling regime nevertheless is still comprised of one class or group. Because the existing social structure says that one class is the ruling one, it continues to create policies and conditions that are beneficial to that class. It is a self-perpetuating cycle in which the elite rule to benefit the elite. Unless economic development is accompanied by social development, then, democratic change will not occur.

One can see such a broken cycle developing in China. That country does participate in international trade and in fact is one of the U.S.' largest trading partners⁴⁶

⁴⁴ David Held. *Models of Democracy*, 2nd Edition. (Stanford, CA; Stanford University Press, 1996)

⁴⁵ Huntington, (1991), 38

⁴⁶ U.S. Census Bureau. (online) *Foreign Trade Statistics, 2004*. Available on the World Wide Web at(<http://www.census.gov/foreign-trade/top/#2004>)

and their Gross Domestic Product growth rate is 9.1%.⁴⁷ Notwithstanding the recent democratic movement in Hong Kong, there has been little substantive social change in the country. The Communist Party is the ruling party, and enjoys the social benefits of that position, as well. Thus, the economic development has not resulted in social change. The lack of domestic democratic impulse results in stagnant social structures that do not demand change from the governing class.

The existing literature cites a variety of factors that determine the social structure of a country, which in turn impacts the economic and political structures. Olsen explains the development of democracy through the absence of autocracy: "Thus the theory here predicts that democracy would be most likely to emerge spontaneously when none of the individuals or group leaders who helped bring about the overthrow an autocracy could make themselves autocrats."⁴⁸

Though scholars do not necessarily agree on the relative importance of each factor, they do agree on what the factors of social structure are. Among those that shape the social, and therefore political, leanings of countries are class structure, religion, ethnic stratification and culture. All of these have direct implications for the liberty of the individual, the root of democracy.

Class Structure and Civil Society

The role of class structure is one that has dominated the scholarly debate about individual freedoms and liberties. The question of structure itself is less important to the debate than is the relative strength and weakness of those classes. All societies will have a ruling or elite class, a middle class and a lower or poor class. The struggle does not

⁴⁷ Central Intelligence Agency, 2004.

derive from an attempt to change that structure, but from an attempt by one class to dominate the other. Marx and Engels⁴⁹ talked of a bourgeois revolution in all societies, which would be followed by a proletariat one. They did not dispute the existence of those classes, only the relative strength and societal positions of those classes. They felt that it was the proletariat that was the backbone of the economy and as such should have the rights and privileges accorded to the elite. Conversely, the elite did little more than drain resources from the country and should be made accountable. Notably, Marx and Engels foresaw different scenarios of political and governmental power resulting from each "revolution." Clearly, the relationship between social structure and civil society were paramount to the authors' theory of Communism.

The key to mitigating the effect of class structure on the political system is to have a highly developed civil structure. In other words, as long as all members of society, regardless of socio-economic position can participate in the political process, some of the class advantages are diluted.

	Democracy	
Competitiveness	Above 0	Below 0
Above 2	2722	394
2 or less	148	3628

Table 3.2: Contingency Table Relating Democracy to Competition. Source: Polity IV Database

As Table 3.2 illustrates the Polity IV dataset bears out a strong correlation between those countries with highly competitive systems and democratic governance.⁵⁰

⁴⁸ Mancur Olson. *Power and Prosperity: Outgrowing Communist and Capitalist Dictatorships*. (New York, NY: Basic Books, 2000), 31

⁴⁹ Karl Marx and Frederick Engels. *The Communist Manifesto*. (New York, NY: International Publishers, 1948)

⁵⁰ The Polity IV database measures competitiveness on a scale of 0-5, with zero being least competitive. For this table, a score of 0-2 was considered less competitive, while a score 3-5 was considered more competitive. Also, please note that the democracy score, as discussed earlier, is measured on a scale of -10

Civil society is difficult to mandate, though, unless bolstered by social capital. Fukuyama defines social capital as the "informal norm that promotes cooperation between individuals."⁵¹ He further defines it as the grease that keeps the cogs of both the economy and the government functioning smoothly. Social capital dictates the way people deal with one another vis a vis their respective standings in society. Social capital exists in every society but differs according to history, culture and religion. In the U.S., for example, a member of the upper-middle class who is white and is Protestant will perceive others differently than s/he would others within the group. Because social capital is deeply entrenched in the historical experiences of different peoples, it cannot be legislated.

Fukuyama further states that social capital reduces transaction costs in free-market economies. Because it engenders trust and good will, the interaction of groups with social capital will be greater and easier than between groups that do not share it. In other words, people are more likely to associate with people like themselves. The effect of this break down of social capital can be seen in Iraq where Kurds are persecuted because of their ethnicity or in the Congo where constant tribal warfare has reduced the country almost to a state of anarchy.

The lack of social cohesiveness prohibits the development of an inclusive civil society. In many cases, this is detrimental to the well being of the state. The state is better served by a well-rounded society with relative economic standing. In countries with excessive social stratification, several classes of people may be unable to achieve

– 10. Zero is considered neither autocratic nor democratic and so was left out of this particular measure. There were 61 cases with a zero score.

⁵¹ Francis Fukuyama. "Social Capital, Civil Society and Development," *Third World Quarterly*, Vol. 22, No. 1 (2000): 7-20

economic success. The stunted economic growth of the citizenship means a smaller tax base for the state. Governments that cannot get money from its citizens must find alternative methods of funding the state. Such methods may include state ownership of industry. In these cases economic and therefore social liberalization become less likely, and so to does the prospect of democratization. Countries become stuck in a cycle of economic stagnation and social repression.

Haiti provides an illustration of this cycle. According to data gathered by the Central Intelligence Agency (CIA), almost 80% of the population lives in "abject poverty,"⁵² and 70% of the latter is almost entirely dependent on agriculture for their income. The country's budget is running a deficit of 32% of national revenues. As a result of the poverty and the economic repression, the government is rank with corruption and often looks to "alternative" funding options: Haiti is a major "transshipment point" in drug trafficking and provides the means to launder illegal drug monies.

According to Fukuyama, unless steps are taken by the government to organize individuals, social capital and therefore civil society will remain underdeveloped. The state may choose to organize people into voting groups (e.g. districts, cantons, or provinces). This process creates a comradeship among the voting group that may develop into the necessary social capital for the creation of a sound civil society.

In a 1996 speech to the Civitas Panamericano Conference in Buenos Aires, Argentina, Diamond addressed the issue of creating a new type of nationalism; a civic one as the way to forging stable democracies⁵³. This civic nationalism is derived from

⁵² Central Intelligence Agency. [online] *World Fact Book 2003* Available from the World Wide Web: (<http://www.cia.gov/cia/publications/factbook/index.html>)

⁵³ Larry Diamond. "Cultivating Democratic Citizenship: Education for a New Century of Democracy in the Americas," *Social Studies*, Vol. 88, No. 6 (1997): 244-251

the pride of the citizens in their country's journey to democracy. The greater the sense of involvement on the part of the citizens, the greater social capital is developed on the part of all the people. That process will result in a greater sense of civic nationalism. As people are rational actors, there must be benefits for the individual, as well as the group, for people to embrace democratic transition wholeheartedly.

Huntington speaks of the recognition of the individual as the integral cog of democratic transformation. He notes that cross-cultural studies have found democracies, particularly those in the "West", place unparalleled importance on the role of the individual to the country.⁵⁴ Accordingly, if a country's culture places greater importance on the group, then democratic change becomes less likely, though not impossible. Japanese culture calls for a consideration of the group over the individual. Based on the criteria of emphasis on the individual, it would appear that democracy could not exist in such a culture. Democratic change in that country came at a heavy price, unconditional surrender to the Allies after World War II. Yet unless the transformation to a democratic government garnered general acceptance, if not outright approval, in the society, it could not have lasted over sixty years⁵⁵. The twist here is that by making the country better for the group first, it "trickles down" to the individual. This top-down philosophy, though reminiscent of European-style democracies, is a reversal of the U.S. style of democracy, in which individual liberties are considered first, and the effect on the group considered second, if at all. Deeply entrenched social mores do not simply vanish overnight. They exist as a result of centuries of social and economic experience. Social changes must

⁵⁴ Huntington, (1996)

⁵⁵ Some may question the durability and veracity of Japanese democracy on the basis of the "two-turnover test and the level of participation and competition. Using the baselines for this study, a democracy score of six on the Polity IV study, Japan does qualify to be described as a democracy.

have some impetus in economic change. As stated earlier, economic change often heralds governmental change both good and bad. To bring about democratic change, economic reform must bring about social changes as well.

Part of making economic reform work is to sell it to the citizens by making them believe that the reform will affect all classes of citizens, not just the elite. Doing that means that economic change must herald tangible social effects. A country that espouses economic reform, but only allows the reforms to benefit the elite will not democratize. There are several reasons for that lack of democratic movement. If only the ruling elite continues to gain, they will see no reason to break their hold on power. The underclasses will see no hope for improving their own lot and no way to break the hold of the elites. No governmental reform will be undertaken.

Religion and Democratization

Huntington⁵⁶ states that religion has a profound effect on the development of regime types. Both he and Casanova⁵⁷ have written extensively on the relationship between the "third wave" of democratization and religion, Catholicism in particular. While Huntington notes that the majority of countries that became democratic prior to the twentieth century were Protestant, he also observes that the most recent transformations have occurred in overwhelmingly Catholic states; notably Latin America has undergone extensive democratic transformation within the last twenty to thirty years. At this point, all countries in the hemisphere, with the exception of Cuba and Haiti, hold competitive elections.⁵⁸

⁵⁶ Huntington, (1996), 39

⁵⁷ Jose Casanova. "Civil Society and Religion: Restrospective Reflections on Catholicism and Prospective Reflections on Islam," *Social Research* Vol. 68, No. 4 (Winter, 2001)

⁵⁸ Stephan Johnson. "Why the U.S. Must Re-Engage in Latin America," *Backgrounder #1694* (October, 2003)

The nature of the predominant religion within a country can impact the social and governmental expectations of the citizenry. For example, it was during the reformation that theorists such as Hobbes⁵⁹, Locke⁶⁰, and Rousseau⁶¹ were compelled to write treatises on the nature of government and the proper way to rule. As Protestantism and its comparatively liberal ideals began to spread throughout Europe, more people began to question the nature of the monarchy. In those countries where Catholicism still held sway, authoritarian governments continued to reign. This may be attributable to the more authoritarian nature of Catholicism when compared to Protestantism.

In addition to the impact religion had on the nature of the regime, it can also determine the level of political involvement by individuals. According to Verba, Nie and Kim⁶² an individual's religious preference can determine the extent to which they participate in the political process. Verba, et al also included an analysis of the Socio-Economic Resource Level (SERL) characteristics of each of the religious and party affiliations in each of the seven countries in their study. They found that, all other things being equal, religion was a determining factor in the amount and affiliation of political participation among individuals.⁶³ Their study did not focus on the development and evolution of the overarching governmental structures of those countries.

⁵⁹ Thomas Hobbes. *Leviathan* (New York, NY: Cambridge University Press, 1991)

⁶⁰ John Locke. *Two Treatises of Government* (New York, NY: Cambridge University Press, 1998)

⁶¹ Jean-Jacques Rousseau. *The Social Contract: Or Principals of Political Right*. (London: Penguin Books, 1968)

⁶² Sidney Verba, Norman H. Nie, and Jae-on Kim. *Participation and Political Equality: A Seven Nation Comparison*. (Chicago, IL: The University of Chicago Press, 1978)

⁶³ Verba, Nie and Kim. (1978), 191

Spread of Democracy

Huntington's theories on the spread of democracy are varied.⁶⁴ They include "snowballing," a geopolitical peer pressure of sorts: "That country is democratic so maybe it would be good for our country." He also states that there could conceivably be a single cause that would explain a wave of democratization. His example is the victory of the United States in World War II, in which countries surrendered unconditionally and were subsequently rebuilt as democracies by the U.S. and its allies. Conversely, a wave may be the result of the "parallel development" of democracy in many countries. In other words, a group of countries independently take separate paths towards democracy.

Held,⁶⁵ on the other hand, argues that democracy is an inherent part of the global structure and must be seen accordingly: "There cannot be an account of the modern democratic state any longer without an examination of the global systems and there cannot be an examination of the global system without an account of the democratic state." There is wide agreement that the global political environment affects democratic change. Every scholar that writes about democracy notes that liberalizing regime changes are usually affected through some sort of international mechanism.⁶⁶ Bowing to the wisdom of those arguments, this study includes both a discussion of the emergence of democracy, and the role of the global system in bringing about the democratic transformation.

⁶⁴ Huntington (1991), 31-33

⁶⁵ David Held. *Democracy and the Global Order: From the Modern State to Cosmopolitan Governance*. (Stanford, CA: Stanford University Press, 1995), 27

⁶⁶ Discussion of the role of international mechanism in democratic transitions include Rostow (1966) and Huntington (1991, 1996).

Domestic pressures include such factors as anti-regime group activity, cultural homogeneity, and civic participation. Sharp⁶⁷ tells us that in the battle for democracy, four factors must be present domestically: 1) determination, self-confidence and the will to resist among the people, 2) strong, independent social groups and institutions, 3) powerful internal resistance forces, and 4) a strategic plan for implementing the democracy.

Specifically, Sharp notes that independent social and non-governmental groups are strong sources of democratic power. Through the efforts of independent social groups, he contends that the remaining three factors can be created. The use of social groups that are already in existence within a society can so baffle the dictators, he says, that it can lead to mistakes and errors in judgement by the governing bodies. It is also difficult to root out, as the groups have been in existence, in some cases, longer than the governments themselves. Further, such groups are so widely dispersed it is difficult for governmental leaders to ferret out the actual causes of discontent.

Another factor that must be considered when determining domestic pressures to democratize is the cultural homogeneity of the country. One of the preconditions of democracy laid out by Dahl⁶⁸ is "weak subcultural pluralism." If there are too many cultural, religious or ethnic rifts, then it will be difficult at best to create and sustain the large coalition necessary to govern a democracy. Though some countries have developed unique systems to counteract the effects of subcultural pluralism,⁶⁹ the vast majority with

⁶⁷ Gene Sharp. *From Dictatorship to Democracy: A Conceptual Framework for Liberation*. (Cambridge, MA: The Albert Einstein Institution, 1993)

⁶⁸ Dahl (1998), 192-194

⁶⁹ Dahl refers to the mechanism of governing across subcultural groups while providing them all with access to the government as "consociational democracy." Examples of countries that Dahl considers consociational democracies include Switzerland, The Netherlands and Belgium.

deep religious or ethnic schisms within the population are unable to overcome their differences and make progress toward a government that includes everybody.

The issue of homogeneity is not only important as it relates to cultural schism, but to how it relates to the aggregated political behavior of countries, as well. Though many may see the United States as an extremely varied population culturally, incorporating those with different religions and national origins, it can also be said that the citizens of the United States share one political culture. There is widespread agreement on the ideas of individual freedom, "one person, one vote," and representational government. Though there is some difference of opinion on the details, the overarching concepts enjoy almost universal support. The same cannot be said of many other countries that are home to many cultural groups. It is those differences in fundamental political beliefs (i.e. who is fit to rule, who is allowed to participate) that prevent political unity, under the banner of democracy or any other political ideal.

An interesting counterpoint to the argument that cultural differences will prevent democracy is the argument put forth for "cultural globalization." Held, et al⁷⁰ proposed three theories of cultural globalization that are depicted in the Table 3.3.

Theory	Characteristics
Hyperglobalizers	World becoming more homogenous; American popular culture becoming more dominant
Skeptics	Cultural differences becoming more important; More conflict along cultural lines
Transformationalists	Intermingling and hybridization of cultures.

Table 3.3: Held's Theories of Globalization

⁷⁰ David Held, Anthony McGrew, David Goldblatt, and Jonathan Perraton. *Global Transformation: Politics Economics and Culture*. (Stanford, CA; Stanford University Press, 1999), 327-329

If one accepts the Hyperglobalization or Transformationalist theories, then the prospects for a growing community of democracies seems bright. Indeed arguments can be made for these theories based on the prevalence of American culture in seemingly disparate communities. McDonald's and Coca-Cola, ubiquitous in the United States, are globally recognized firms with a presence in many countries. One must also pay particular attention to the theory that argues that more and more often cultural differences are not only being highlighted, but also can be named as causes of increasing conflict.⁷¹

This theory, that cultural differences are increasingly apparent and conflict-ridden, may also be a backlash to the spread of a generic global culture. The conflict with the United States and Afghanistan derives most notably from the feelings of disgust held by the Taliban for the American way of life, as well as the American abhorrence of theocracy and the oppression that is associated with a theocratic government. Huntington⁷² argued that the uniqueness of culture is important, but that the very individuality between and among cultures that makes them important inevitably lead to conflict. The impact of such cultural rifts may be mitigated to some degree by the influence of Non-Governmental Organizations (NGOs).

The presence of NGOs is seemingly a widely acknowledged necessity for the transition to democracy. The definitions of NGOs are varied, though. Vakil's⁷³ will serve as the one used here, to wit a NGO is "self-governing, private, not-for-profit organizations that are geared toward improving the quality of life of disadvantaged people." In other words, these organizations have at their heart, the goal of instituting

⁷¹ Huntington (1996)

⁷² Huntington (1991), 298-311

⁷³ Anna C. Vakil. "Confronting the Classification Problem: Toward a Taxonomy of NGOs," *World Development*, Vol. 25, No. 12 (1997): 2060

either human rights standards, a process for social justice, democracy or some combination of all three. They also must be free of any type of governmental control.

Carothers⁷⁴ notes that in the 1960s democracy was in retreat in Latin America. In the last twenty years, though, as "democracy assistance" has been on the rise in that region, so too, has democratic expansion. He further argues that the money that is infused into these countries for the purposes of democratic reform must be accompanied by a dedication on the part of the donors to affect real change. That change will not occur overnight and so any thought that an organization or country could inject \$50 million into an economy and grow a democracy is fanciful.

The role of NGOs has long been perceived as an important one by the structuralist entities such as the United Nations. Article 71 of the UN Charter⁷⁵ states that "The Economic and Social Council may make suitable arrangements for consultation with non-governmental organizations which are concerned with matters within its competence." NGOs were considered important enough fifty years ago to be included in the Charter of the United Nations. Over the course of the succeeding half-century, the role of NGOs in economic and democratic development has increased dramatically.

In this analysis, their role will be juxtaposed against that of the U.S. in creating democracies. Though the U.S. and the NGOs may share some objectives (i.e. creation of sustainable economies, universal suffrage, and increased human rights), the methods used in an effort to reach those objectives may diverge. The effectiveness of the NGO may also benefit from its perceived objectivity. Where the U.S. acts, it is generally thought to

⁷⁴ Carothers, (1999)

⁷⁵ UN Charter

be acting in its own interests, rather than in the interests of the country in which it is acting. NGOs, however, have no obvious loyalties to a particular country or culture.

van Tuijl⁷⁶ argues that NGOs are beginning to take the place of governments in "filling widening institutional and geographical gaps for people or communities who want to exercise their guaranteed rights." The roles of NGOs in the democratization process are varied. They can lobby government for reform or may simply increase public awareness and participation surrounding certain issues. Some NGOs, such as the Foundation for Education for Democracy, educate citizens on the processes of democracy through a network of educators and leaders, who then perpetuate those teachings in their own countries. By doing this, the organization creates a movement for democracy in a number of countries. This approach is unique in that it teaches the processes, rather than just the ideology, of democracy.

NGOs are significant in the development of democracy because they can bypass government altogether.⁷⁷ The organizations can create a vast, international network of activists that can campaign for certain causes. In effect, the organizations are starting grassroots movements in which the respective governments have no real say. The effect of NGOs cannot be taken for granted in efforts towards democratization. Nor can the social movements that either led to the development of a NGO or are themselves a result of NGO actions.

Lastly, the question of the role of the United States and its foreign policy must be addressed in terms of its effect on the growth of democracy. Clearly it is difficult to determine the "real" objectives behind a stated policy. For that reason, one must

⁷⁶ Peter van Tuijl. "NGOs and Human Rights: Sources of Justice and Democracy," *Journal of International Affairs*, Vol. 52, Issue 2. (Spring, 1999): 493

determine whether the U.S. has acted in the interest of democracy based on the actions taken and the outcome. For example, Taft's Dollar Diplomacy⁷⁸ was meant to reduce the "politics by other means" that accompanies international relations. Instead, he was devoted to international cooperation and peaceful economic expansion. This was a substantial departure from preceding policies, which did not necessarily focus on the commercial benefit that would be conferred to the United States through its diplomatic efforts. Taft believed that by creating economic dependencies in the international arena, the instances of conflict and war could be reduced. His foreign policy, then, would be assessed based on the actual instances of peaceful expansion and international cooperation.

For the purposes of this study, the most interesting factor in democratization is the role of the United States and its foreign policy. Due to the way in which the U.S. is governed, "for the people, by the people," American foreign policy is often crusading in nature. It must have at least tacit approval of the constituency, who often feels that the world would benefit from American-style democracy. The fact that the U.S. emerged victorious from World War II, and in many respects in a better economic condition than it had been when it entered the conflict, lent credence to idea that the American way was the superior one. Nor can one refute the apparent correlation between the growth in democracy and the growth in American global power. That is not to say that one led to the other, but that there is a relationship present that bears scrutiny.

The end of the Cold War left American foreign policy decision-makers somewhat adrift. Without the familiar paradigm in which to operate, "Contain Communism, Defeat

⁷⁷ Held, et al. (1999)

the Soviet Union," they were left with no real direction in which to steer foreign policy. What would the focus of America's foreign policy be now? The first President Bush instituted the "New International Order," which was to usher in an age of cooperation in the international arena. Its organizing principle was reminiscent of the security arrangements of the pre-World War I era; the idea that an aggressor would be met with opposition from the rest of the region, or in extreme cases, the world.

The New International Order, however, did not last past the election of 1992, in which Clinton was elected to the White House. Though the idea of the U.S. as a uniter of the world community still resonated within the administration, the Clinton Administration had a different goal. Rather than just maintaining the status quo and reacting to aggression, the Clinton administration instituted a policy of "Engagement and Enlargement," a policy that focused on encouraging economic involvement in the world community as a means to encourage democracy.

It must be made very clear that the spread of American democratic values is not made solely in the best interest of the world. From Taft's Dollar Diplomacy to Clinton's Engagement and Enlargement the primary focus has been on the American interest. In fact the 1994 National Security Strategy⁷⁹ states " The best way to advance America's interests worldwide is to enlarge the community of democracies and free markets throughout the world." This is a policy position consistent with the ideals of Democratic Peace.⁸⁰ Lake, Clinton's National Security Advisor, reiterated this point in his discussion

⁷⁸ Frank Ninkovich. *The Wilsonian Century: U.S. Foreign Policy Since 1900*. (Chicago, IL: The University of Chicago Press, 1999), 27

⁷⁹ Bill Clinton. "National Security Strategy," *Presidents & Prime Ministers* Vol. 3, Issue 6. (Nov/Dec. 1994): 48

⁸⁰ There are several authors that have written on the subject of democratic peace. The scholarly dialogue began with Immanuel Kant in 1795. Those themes have recently been resurrected based on the empirical studies of Doyle, Russett and Rummel

of current foreign policy debates. He argued that without engagement of the world community,

*"Our [America's] government's reactions to foreign events can seem disconnected; individual setbacks may appear to define the whole; public sentiment for our engagement likely would wane, and America could be harmed by a rise in protectionism, unwise cuts to our military force structure or readiness, a loss of the resources necessary for our diplomacy—and thus the erosion of U.S. Influence abroad."*⁸¹

The idea of spreading democracy is not a new one in American foreign policy. At the turn of the twentieth century, Hart⁸² questioned the purpose of American foreign policy, saying that if its purpose were not to spread "western civilization" eastward, then there was no real way to make the American global presence felt. Given the jingoism and patriotism of the day, it must be assumed that by "western civilization" the historian was referring to liberal democratic values. In 1917, Wilson addressed Congress, asking them to declare war on Germany.⁸³ In doing so, he elaborated the justification for sending American men and women to war that is used today, namely that military force would be employed to defend and spread democracy, "for the right of those who submit to authority to have a voice in their own governments, for the rights and liberties of small nations, for a universal dominion of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself free at last."

In 1950, the United States affirmed its role in the international order with NSC-68⁸⁴. That document stated that the U.S. must be committed to developing a world order in which the United States could "survive and flourish." It further stated that the need to

⁸¹ Anthony Lake. "From Containment to Enlargement: Current Foreign Policy Debates in Perspective." *Vital Speeches of the Day*, Vol. 60, Issue 1. (Oct. 15, 1993): 14

⁸² Ninkovich, (1999), 35

⁸³ John Gerard Ruggie. "The Past as Prologue? Interests, Identity and American Foreign Policy," *International Security*. Vol. 21, No. 4 (Spring, 1997): 89.

develop such an order would have been vital even barring the Soviet threat and the need to contain Communism.

Over the course of the last century, the United States was transformed from a country on the cusp of a world power to the arbiter of global disputes. Despite the profound transformation in the role of the United States, though, its foreign policy has in reality changed very little. Dollar diplomacy still drives foreign policy. American decisions are not made on the basis of the altruism, rather on what is best in terms of U.S. commercial and strategic interests. "Missionary" is still the most applicable term for U.S. foreign policy efforts.

American foreign policy must also be measured by the global stature ascribed to the United States at the time. Intuitively, it would seem that the more power the U.S. is perceived to have, the more successful its foreign policy would be. It would be interesting to note which precedes the other, however. In other words, is the policy successful because the U.S. is powerful or is the U.S. powerful because its policy is successful? This question is fertile ground for further study.

Each period, the Cold War and the post-Cold War era will be compared in order to determine what factors are present during periods of democratic growth, as well as those that are present when democracy seems to recede. In that way, those factors that promote democracy, as well as those that prevent it can be identified.

Upon first examination of the community of democracies, one can easily see that the number is correlated to economic factors. From 1900-1920, the number almost doubled, from 14 to 27. Conversely, from 1920-1940, during the time of the Depression

⁸⁴ National Security Council. NSC-68, *United States Objectives and Programs for National Security: A report to the president pursuant to the president's directive of January 31, 1950.*

and the emergence and spread of fascism in Europe, the number fell by that same margin. Interestingly, the growth of fascism has been attributed many times to the economic hardships experienced in Europe. It would be rational, then, to believe that a relationship between economics and democracy might also exist. The pattern continues throughout the century, with the democratic tide ebbing and rising with the economic circumstances of the world.

At the same time, though, one could point to the growth of American influence in the world. The number of democracies also coincided with the growth of American stature on the world stage. After World War II and the unmistakable arrival of the United States as a global force with which to be reckoned, the number has grown steadily from 21 in 1945 to 88 by the end of the century. The growth of American prominence, though, does coincide with a number of other factors, as well.

Among these is the presence of non-governmental organizations that are devoted to the establishment and preservation of democratic values. Additionally, credence must be given to those movements within countries that pressure governments for liberalization. There must be a domestic impulse, as well as willingness on the part of the ruling regime, to initiate and preserve democracy. For that reason, both international and domestic pressure groups must be taken into consideration when determining factors that encourage democratic growth.

Once each period has been dissected for the relevant conditions, comparisons can be made between each one. What were the political and social conditions during each period that demonstrated growth of the democratic community? When the growth slowed, what conditions were present? Are there any similarities at all that may account

for the health of democracy in the world? Lastly, what prescriptive policy recommendations can be made for furthering democracy?

A preliminary conclusion, upon cursory examination of the literature and the data seem to indicate a spurious relationship between the democratization efforts of the U.S. and the global growth of democracy. If any relationship exists, it would appear that American foreign policy merely bolsters an already-existing tendency towards liberalization, such as has occurred in Latin America. If American foreign policy alone were enough to spur democratic change, one might expect the entire globe to be comprised of democratic, free market societies assuming that was the objective of U.S. foreign policy. Since that is not the case, one must search out the other factors that also contribute to democratization.

Over the last one hundred years, democracy has flourished. It should not be taken to mean, however, that the proliferation of democracy has not suffered setbacks. At the close of the twentieth century, though, there were almost seven times as many democracies as there were at the beginning. The latter half of the century has seen the birth of organizations such as the Christian Relief and Development Association, and Partners for Democratic Change, dedicated to the spread of democracy and human rights. There is a prevalent assumption that the two terms, human rights and democracy, are interchangeable. Could organizations such as U.S. AID and Amnesty International be responsible for the democratic growth? Many point to the fall of the Soviet Union as the point at which democracy triumphed over all other forms of government; Some even attribute the fall of the Soviet Union to Ronald Reagan, saying his arms race drove the Soviets into economic turmoil and ultimately to the end of the Cold War. Others cite the

Soviet economy as the downfall of the Soviet Union, saying that Communism and the command economy that accompanied it was a self-destructive form of government that was doomed to failure sooner or later.

Dahl⁸⁵ narrows the spread of democracy to a handful of causes. Among them are the growth of market-capitalist structures, the declining possibility of intervention from forces hostile to democracy, the lack of ability of military leaders to adapt to the needs of modern society, and the visible failure of totalitarian systems. It is interesting to note that Dahl's explanations differ in one major way from other scholars' interpretations: while others explain the spread of democracy coming from forces that are hospitable to democracy, he relies heavily on the inhibition of certain factors that are hostile to democracy.

Each of the authors discussed to this point has a different theory about the expansion of democracy. Distilling their arguments it appears that there is an underlying agreement about which ones must be there in order to achieve democratic change. The international political climate must be favorable. There must be an economic incentive to change. There needs to be a social impetus (i.e., groups that stand for respect for the rule of law, demand for universal participation). Though not specifically addressed in all of the writings, Huntington alludes to the role of the United States as an agent in the spread of democracy.

Interestingly, as much literature as exists on the subject of democracy, there is little that focuses on the role of the United States' foreign policy in the global diffusion of

⁸⁵ Dahl, (1998), 163-164.

democracy. von Hippel⁸⁶ addresses the use of force in the spread of democracy and the American role in democratization, but concentrates only on military interventions on the part of the United States, concluding that military force alone is not enough to force democratic change. There must be a lasting commitment to see democratic reform take place, both before and after the military intervention.

Though Japan and Germany are often referred to as successful military interventions in which the Allies forced this issue, there are several factors, other than military intervention that contributed to the lasting effects of democratic reform in those countries. Among these were "respect for education and high literacy rates, advanced levels of industrialization and, of course, unconditional surrender."⁸⁷ Additionally, both countries had prior experience with democracy. These factors do not exist in the countries that the U.S. has tried to influence since the end of the World War II: Korea, Vietnam, Haiti, and Bosnia to name a few. Clearly, force alone is not enough to influence democratic change.

Democratization has been much studied by scholars who attribute its spread to causes ranging from economic incentives to the actions of third parties. All agree that there cannot be one reason that is responsible for all such changes. Nevertheless, little progress has been made in studying those variables thought to bring about such changes. Indeed, more has been written describing American foreign policy and its crusade to democratize the world, yet the only studies that explore the success of such a crusade look at military interventions. These studies do not address to any satisfactory degree the use of NGOs in American foreign policy, or the economic incentives that the U.S. may

⁸⁶ Karin von Hippel. *Democracy by Force: U.S. Military Intervention in the Post-Cold War World*. (New York, NY: Cambridge University Press, 2000)

use as a carrot to lure countries to liberalization. It is that void that this study will try to address or fill, namely: What is the connection between U.S. foreign policy and the enlargement of the democratic community?

Evolution of U.S. Foreign Policy from 1946-2001

It is often proffered in speeches and writings that democracy, or the exportation of democracy, is an end-point of U.S. foreign policy. By examining U.S. actions and policies over the course of the last sixty years, the veracity of that statement can be evaluated. If the actions of the U.S. corresponded with the policies, and those policies were created in an effort to bring about the enlargement of the democratic community, then it could be said that democracy is a goal of U.S. foreign policy. In contrast, if the actions and the policies do not match, or the policies seem ill suited to the proliferation of democratic governance, then it could be argued that the U.S. does not engage in international relations with the primary goal of democratization.

Democracy is the standard by which U.S. policy makers judge the international community. An ally is defined as a country that will stand by the U.S. in military matters. A "friend," however is one that shares the U.S.' passionate and vociferous devotion to the rhetoric of democracy. Great Britain is the prime example of an ally and a friend to the United States. Despite the adamant protestations of U.S. policy makers, though, history is rife with examples of the U.S. acting in ways that are contrary to the call of democracy.

Emerging from World War II, America found itself facing an enemy unlike the world had ever seen. Rather than threatening economic resources or military forces, the U.S. faced a threat to the very ideological basis of the country. The Soviet Union and its

⁸⁷von Hippel, (2000), 185

style of Communism were beginning to spread throughout Eastern Europe and Asia. The U.S. had just been allied with the Soviet Union to bring down Hitler and his Nazi regime. Yet, in the long run, it was the Soviets and the Americans that ended up on opposite sides of a very wide ideological divide.

Communism was seen as the antithesis of everything for which America stood. Joseph McCarthy and his Red Scare provide ample illustration of the level of suspicion with which the U.S. viewed the Soviet Union. McCarthy held hearings on the Communist infiltration of the Armed Forces. His vociferous accusations of Communism led to one of the most polarizing events in U.S. political history and ultimately in the exile of McCarthy from politics. Despite its inauspicious ending, the McCarthy Hearings provide evidence that the United States and its policy makers were determined to do what they could to keep the Soviet style of government away from the U.S. and its hemisphere.

World War II and the Allied victory pushed the United States to the forefront of global power politics. The United States was in the unique position, not only of being victorious, but also of being one of the only countries involved in the war whose economic infrastructure was not totally decimated by the fighting. In the aftermath of the war, with the Soviet Union taking on a prominent position in international politics as a result of its allegiance to the Allies during World War II, the United States had to confront a new threat: Communism.

Though there was a threat of military conflict, the fear was largely ideologically based. The notion that Communism might prove appealing to countries struggling economically was one that had policy makers scared. Gaddis⁸⁸ writes that it was not the

⁸⁸ John Lewis Gaddis. *Strategies of Containment: A Critical Appraisal of Postwar American National Security Policy*. (New York, NY: Oxford University Press, 1982), 35

idea of Communism that was so repellent, but the idea that it might replace democracy altogether: "Democracy at home might not require the existence of a completely democratic world, but neither could it survive in one that was completely totalitarian..." From this sentiment evolved the Truman Doctrine.

Evolution of Cold War Policy

Truman's administration was one besieged with difficulties. Although the War had been won, the world had yet to contend with the aftermath. The war had devastated at least two continents and countless economies. Refugees were displaced, boundaries redrawn and allegiances frayed. In addition, the U.S. was unused to its position of leadership. It was this void that Truman and the U.S. had to fill.

Truman established a rule for the U.S. in its actions in the international arena. The new role of the U.S. in the world was as the protector of free peoples. Though this seems to be altruistic in nature, it harkens back to Kennan's⁸⁹ idea that in order to survive there must be some other democratic countries in the world with which the U.S. can relate. At the beginning of the Cold War, Truman's policies were ideologically derived from Kennan's notions on foreign policy. As the Truman presidency progressed, though, and Kennan left the administration, the intent driving the policy became more and more obscured.

The first issue on Truman's agenda was the rebuilding of the European economies. The Marshall Plan, or the Plan for European Recovery, played a key role, not only in rebuilding the devastated economies of Europe, but also of putting the U.S. in the role of benefactor and protector. Marshall recognized that the commerce centers of Europe had not functioned under normal circumstances for over ten years, and that those

countries required substantial assistance in regaining their former economic prowess.⁹⁰ It had been determined that the Marshall Plan would only be successful if the Europeans were given the responsibility of planning and implementation of the recovery plan. Inherent in the Marshall Plan, however, was a quid pro quo for the U.S. In exchange for the funds to rebuild their economies, the European countries would allow the U.S. to maintain military outposts in Europe. That was the first step in establishing a perimeter around the Soviet Union to prevent its expansion.

Truman declared, in what later was dubbed the "Truman Doctrine," that it "must be the policy of the United States to support free peoples who are resisting attempted subjugation by armed minorities or by outside pressures."⁹¹ He further affirmed a belief in self-determination for free peoples. The doctrine is essentially a restatement of the Roosevelt Corollary to the Monroe Doctrine, which states that wherever American interests are threatened, the U.S. will bring force to bear.

Truman was the president that ushered in the Cold War. He was faced with an outwardly hostile Soviet Union that reviled the United States. His foreign policy was directed at both rebuilding the European countries and mitigating the perceived strength, and very real, hostility of the Soviet Union. NSC-20/4⁹² first laid the framework of assumptions that would guide the U.S. throughout the Cold War. The report describes the threat the Soviet Union posed to democracy in general and the U.S. in particular. It

⁸⁹ Lewis Gaddis, (1982), 35

⁹⁰ George C Marshall. [online] *The Marshall Plan Speech*. Commencement Address at Harvard University, June 5, 1947 George C. Marshall Foundation. Available on the World Wide Web at (http://www.marshallfoundation.org/about_gcm/marshall_plan.htm#text_of_the_speech)

⁹¹ Lee Edwards, "Congress and the Origins of the Cold War: The Truman Doctrine," *World Affairs* Vol. 151, Issue 3. (1989): 131

⁹² National Security Council. [online] *NSC 20/4 U.S. Objectives with Respect to the U.S.S.R. to Counter Soviet Threats to U.S. Security*. (1948) Available on the World Wide Web at(<http://www.fas.org/irp/offdocs/nsc-hst/nsc-20-4.htm>)

also characterizes the U.S.S.R. as "the greatest single danger to the U.S. within the foreseeable future." The Soviet Union is characterized as a country with unknown potential to harm the interests of the U.S.: "It is impossible to state with any degree of precision the dimensions of the threat to U.S. security that is presented by these Soviet measures..."⁹³

NSC-20/4 incorporates many of the ideas of Kennan. The document draws attention to the importance of factions within the Communist movement. This is a point that Kennan often made during his tenure in Truman's administration. It further advises that it is imperative to make use of all weapons available, economic, military, political and psychological, to combat the expansion of the Soviet Union. The Soviet Union was expected to use all manner of subversion to put those friendly to the Communist cause in positions of power throughout Central and Eastern Europe. By using all the weapons at its disposal, the U.S. could mitigate some of the threat and even keep the U.S.S.R. on the defensive.

Based on a number of assumptions, both military and economic, NSC-20/4 lays out the foundation of the Cold War policy the U.S. would follow. The two major policy prescriptions include the military development of the United States and countries friendly to it as well as encouraging factionalism within the Communist party. Through the Marshall Plan, the U.S. was not only able to take steps to ensure the former. The latter goal would become a guiding principle of U.S. intelligence efforts. The executive branch would also help in that goal by publicly acknowledging governments that were opposed

⁹³ NSC 20/4 (1948)

to Communism, even if those governments were authoritarian themselves. Being democratic was less important than being anti-Soviet.

If it can be said that NSC-20/4 laid the groundwork for U.S. foreign policy in the Cold War, then NSC-68⁹⁴ began building the walls. The 1950 report to the president is far more detailed than its predecessor. Rather than just laying out the threat of the Soviet Union, NSC-68 fleshed out the policy position of the United States. Sections are dedicated to the design of the Kremlin and the countermeasures that the U.S. should take. It further discusses the chasm of ideology that separates the two countries and makes them inherently antithetical to one another.

The Kremlin, according to NSC-68, had as its driving principle, "the complete subversion or forcible destruction of the machinery of government and structure of society in the countries of the Non-Soviet world and their replacement by...a structure...subservient to the Kremlin." Contrarily, the purpose of the U.S., according to the report, was to "create conditions under which our [the U.S.] systems can live and prosper; and our determination to fight if necessary to defend our way of life." This paints a picture of two systems fundamentally and diametrically opposed to one another.

With this document, the U.S. shifted away from using an arsenal of weapons (i.e. the economic, the political, the psychological and the military) to focusing primarily on the use of military power as a deterrent. It is this document that led the U.S. to instigate the arms race that would come to characterize foreign relations in the late twentieth century. NSC-68 details the military spending and growing economic potential of the

⁹⁴ National Security Council.[online] *NSC/68: United States Objectives and Programs for National Security*. (1950) Available on the World Wide Web at(<http://www.fas.org/irp/offdocs/nsc-hst/nsc-68.htm>)

U.S.S.R.. The report further raises doubts as to the U.S.' ability to maintain its level of military superiority if the two countries maintained their rates of military funding.

NSC-68 was the document that translated the theory of containment into military fact. Containment was defined in this report as a policy that:

"seeks by all means short of war to (1) block further expansion of Soviet power (2) expose the falsities of Soviet Pretensions, (3) induce a retraction of the Kremlin's control and influence and (4) in general, so foster the seeds of destruction within the Soviet system that the Kremlin is brought at least to the point of modifying its behavior..."

This policy of containment was derived to maintain the newly acquired global power of the U.S. and to keep the U.S.S.R. from encroaching any further on the U.S. sphere of influence.

It is ironic that the foreign policy of the U.S. was to beat back the influence of the Soviet Union. At the same time, the U.S.S.R. was striving to push back the influence of the U.S. in the Soviet sphere of influence. It is ironic that similar foreign policies appear in vastly different governments.

NSC-68 would also provide the foundation for every U.S. administration to come until the first President Bush in 1990 in their formulation of foreign policy with respect to countering Soviet actions. The document references intelligence estimates that the U.S.S.R. was increasing its military expenditures; "...the Soviet Union will be steadily reducing the discrepancy between its overall economic strength and that of the U.S. by continuing to devote proportionately more capital investment than the U.S."⁹⁵ It is this estimate that led the U.S. to begin the Arms Race: by building up militarily, the U.S. could influence the Soviet Union to divert its focus from its economic needs to its military needs.

⁹⁵ NSC/68 (1950)

Eisenhower's foreign policy did much to sustain the hostilities and the level of suspicion with which the two countries regarded one another. While NSC 135/3⁹⁶ was worded less strongly than its predecessor, NSC-68, it maintained the necessity of containment, and therefore American involvement abroad.

The difference was that Eisenhower's view of the Soviets was perhaps more realistic than Truman's. Eisenhower saw the Soviet government as a rational actor that would not jeopardize its power by expanding beyond its capabilities.⁹⁷ Its priority then would be to sustain its position and try, through propaganda rather than force, to increase its sphere of influence. The genesis of a Communist expansion shifted from the Soviet Union to China.

China's encroachment into Korea was in direct conflict with its agreement with Britain and the U.S. in Cairo in 1943, and re-iterated in the Potsdam Declaration, of the importance of establishing a free and independent Korea.⁹⁸ The U.S. now had to face the threat of Communism from two sources; Soviet encroachment in Eastern Europe and the Middle East and Chinese expansion in Southeast Asia. China's actions were driven by Mao's rise to power. Mao had not been party to the previously established treaties and so did not feel obligated to adhere to them.

Eisenhower's belief in the Domino Theory of Communist expansion led the U.S. to become involved in conflicts in Asia, believing that if Southeast Asia should fall to Communist influence, either Chinese or Soviet, then the rest of the world would not be

⁹⁶ National Security Council. "NSC 135/3, Reappraisal of U.S. Objectives and Strategy for National Security," *FR*, 1952-54,2 (September 25, 1952): 142-50

⁹⁷ Ernest R May, ed. *American Cold War Strategy: Interpreting NSC-68*. (Boston, MA: Bedford/ St. Martin's Press, 1993)

⁹⁸ National Security Council. [online] *NSC/8 Report to the President by the National Security Council on the Position of the United States with Respect to the Korea Problem, 1948* Available from the World Wide Web at (<http://www.gwu.edu/~nsarchiv/coldwar/documents/episode-5/02-03.htm>)

able to hold out much longer. His theory stated that, "You have a row of dominoes set up, you knock over the first one, and what will happen to the last one is the certainty that it will go over very quickly. So you could have a beginning of a disintegration that would have the most profound influences."⁹⁹

Eisenhower also made mention of the raw materials that would be lost in Indochina should the Communists take hold, but clearly ideology was more important in this instance than tungsten or even the human toll. The role that Communism played as an impetus to American action in the region is highlighted by the lack of U.S. action when Japan invaded Korea in the early 1900s. The fact that both the Soviets and the Chinese were encroaching in the area and both were driven by Communist ideology of one form or another was most likely the factor that drove the U.S. to action.

An important addendum to the policy of Eisenhower, though, is the policy of massive retaliation. The idea was to create such an asymmetrical balance of military might, combining the efforts of the U.S. and its allies, that any attempt at open aggression by the Soviets against the Allies would result in a "massive retaliation." The destruction that would follow such an attempt was supposed to act as deterrence to Soviet military aggression anywhere in the world.¹⁰⁰ The problem with this theory was that if, as Eisenhower believed, the Soviet's were aware of the difficulties (the expense, difficulty in projecting authority, the detriment to national security by thinning its homeland defenses) in expanding their influence through force and thus relied upon propaganda and political means to spread their influence, the policy would have very little effect.

⁹⁹ Dwight D. Eisenhower "The President's News Conference of April 7, 1954." *Public Papers of the Presidents: Dwight D. Eisenhower*. (1954): 381

¹⁰⁰ John Lewis Gaddis. *Strategies of Containment: A Critical Appraisal of Postwar American National Security Policy*. (New York, NY: Oxford University Press, 1982), 120-123.

The Kennedy Administration was presented with arguably the most challenging events of the Cold War, from the Bay of Pigs, to the Vietnam War. War with the Soviet Union was more likely at this time than any other time during the Cold War. It was also during his brief administration, though, that the politicians began to falter in their resolution to wage the Cold War. Both Kennedy and Khrushchev compromised to a small degree in terms of their foreign policy stance. Kennedy agreed to sell the U.S.' excess wheat to the U.S.S.R. and installed a direct line of communication between DC and the Soviet Union. At the same time, Khrushchev backed down from his insistence on wars of "national liberation." Both governments embarked on a nuclear test ban. While these actions were a far cry from a total abandonment of Cold War policies, they did indicate that the two countries could find some common ground. It also provided a platform from which Nixon could launch his diplomatic efforts towards both China and the Soviet Union.

While the main impetus of Nixon's foreign policy were fundamentally restatements of the policies of his predecessors, his emphasis on Asia and Asian self-help was a new spin on the old policy.¹⁰¹ Nixon maintained the staunch anti-Communist policy of previous administrations, but he was also able to leverage the openings that Kennedy created in his administration. Nixon's policy moved more towards a "hate the sin, not the sinner" sort of policy. In his negotiations with China, Nixon maintained the ideological superiority of democracy while opening diplomatic avenues with the governing regime. The withdrawal of American troops from Vietnam also served as considerable balm to the strained relations with the Chinese government.

¹⁰¹ Jerry W Sanders. "Breaking Out of the Containment Syndrome." *World Policy Journal* 1, no. 1(1983): 101-125.

Building on the Eisenhower Domino Theory of Communist expansion, Nixon realized that creating a relationship between the U.S. and the countries of Asia was perhaps the best way to slow the Communist encroachment on democratic communities. An additional motive for the emphasis on Asia was likely the ability to create and maintain factions within the international community of Communism. The more Asian countries that were Pro-U.S., or at least not Anti-American, the less likely they were to be persuaded to fall into the Communist line. Additionally, a policy line that encouraged communication between China and the U.S. capitalized on the growing rift between Beijing and Moscow.

With that goal in mind, Nixon embarked on a policy of state self-help. The Nixon doctrine placed paramount importance on the role of the Asian countries in defending themselves against aggressor states. If the Asian states were active participants in their own defense, then the U.S. would assist them. If however, Asian states were not actively attempting to repulse the aggressors, the U.S. was not going to place its troops in harm's way. The purpose of this policy stance was primarily to disengage the U.S. from its involvement in Indochina.

The goal of the United States was to use the outward manifestations of its democracy as a way to lure countries into the democratic, or at least the Pro-U.S., fold. The manifestations included military and political power, as well as domestic affluence. The moral superiority of democracy in general and the U.S. in particular were evidenced in the political and economic realms of global politics. As the Cold War progressed, the U.S. took on increasing prominence in international politics, acting as the supposed moral

guardian of democracy and human rights. But how effective was the U.S. in actually bringing about democratic change during this time?

Effectiveness of U.S. Cold War Policy at Creating Democracy

The policy of Containment had two main goals. The first was to stop the spread of Communism, whether it was Soviet style Communism or not was irrelevant. The second stated goal of the containment policy was to establish democratic regimes that would be friendly to U.S. policies. The fall of the Soviet Union and the subsequent democratic transitions made by its former satellites was regarded by many as the definitive victory of the U.S. in the Cold War. If the policy is evaluated based on the tenets set forth in the various National Security reports and the policies established in the Cold War period, rather than on the growth of democracy, the assessment of policy success may not turn out as expected.

In NSC-68, the National Security Council proposed that U.S. foreign policy; "strengthen the orientation toward the United States of the Non-Soviet nations..."¹⁰² This phrase can be interpreted in different ways. It can be said that this clause is indicative of the U.S. intention to strengthen democratic influences in the world or that the U.S. is going to embark on a mission of installing or supporting pro-U.S. governments, regardless of governing ideology.

If the U.S.' goal was to promote democracy to fight Communism, then its policy must impact three facets of a country's infrastructure; the economy, the civil society and the governmental structures. U.S. Cold War policy rarely focused on anything other than the strategic leanings of the ruling regime, be they pro-U.S. or pro-Soviet. By looking at

¹⁰² NSC-68 (1950)

the democratic gains throughout the Cold War, U.S. motives can be unearthed and their effectiveness evaluated.

If one were to consider the net gains and increases in the democratic community over the course of the Cold War as a criterion for policy success, then the evaluation of that policy would be inconclusive. One hundred and six countries saw no net democratic change for the 43-year period of the Cold War. Of those, only 18 countries had an average democracy rating of 5 or higher. The remaining countries were not democratic and gave no tangible indication of becoming so.

Country	1946	1991	Change
Albania	-9	1	10
Bolivia	-5	9	14
Bulgaria	-6	8	14
Dominican Rep	-9	6	15
Ecuador	-1	9	10
El Salvador	-8	7	15
Honduras	-3	6	9
Mongolia	-9	2	11
Nepal	-3	5	8
Nicaragua	-8	6	14
Panama	-3	8	11
Paraguay	-9	2	11
Portugal	-9	10	19
Spain	-7	10	17
Venezuela	-3	9	12

Table 3.4: Cold War Democratic Gains. Source: Polity IV Database

Conversely, during this same period of time, 48 countries did see a net democratic increase. Over half (25) of those countries saw an increase of 5 point or more on the Polity IV scale. It should be noted, though, that several of the countries that showed democratic progress are Latin American and Caribbean. Additionally, Israel is indicated as having net democratic change of 10 points. That is due to the fact that Israel did not come into existence, legally, until 1948, while this study begins its evaluation in 1946.

The first step in determining whether democracy was even a goal of American foreign policy during the Cold War is evaluating the net gains and losses in democratic governance during the time period. This is done using the Polity IV Database¹⁰³ as a basis for defining democracy. Using the dataset, each country can be evaluated on its movement to or from democracy. Once the countries that experienced democratic gain were identified, they were then evaluated on the gain over their average democratic score. Table 4 shows those countries that began the Cold War on the autocratic end of the Polity scale, yet in 1991 were on the democratic side.

The significance of the Latin American origin for a majority of the democratic change during the Cold War is best explained using Huntington's¹⁰⁴ explanations for democratic expansion. Huntington explains that, as these countries are primarily Catholic countries, changes in the Catholic Church are a more viable explanation for governmental change than are U.S. influences. Held notes that theocratic notions of authority dominated governance in the Middle Ages¹⁰⁵ and there is evidence, largely in the Latin American world, that those theocratic notions continued to carry significant weight well into the late twentieth century.

Hence, when the Catholic Church began to lean more towards democracy as the preferred ideology of governments, the Latin American countries began to follow suit. That is not to imply that the transitions went, or are going, smoothly, but that more credence is now given in the region to democracy over autocracy.

An additional explanation for the democratic wave in Latin America is the intense focus of the U.S. during the Cold War. As early as 1943, U.S. policy makers were

¹⁰³ Marshall, Gurr and Jagers (2003)

¹⁰⁴ Huntington, (1991), 77.

concerned over the influence of the Soviet Union in Latin America. The Soviet Union had sent diplomats to Mexico City and other Latin American countries.¹⁰⁶ The United States was concerned with the ideological leanings of the region. As a result, the U.S. focused a great deal of attention on retaining the loyalties of the Latin American countries. Some U.S. policy makers likened the attention to the "other American states" to the policy the Soviet Union had of "building up friendly protectorates around her."¹⁰⁷

To accurately assess the relative success or failure of the U.S. policy during the Cold War, it is necessary to determine the extent of U.S. involvement in the countries that saw democratic improvement, as well as those that actually became less democratic. From that point, the extent to which the U.S. actually acted in a manner that would encourage democracy can be evaluated. The questions here are two-fold. The first question is whether or not the U.S. aim was to encourage democracy, or simply to discourage Communism. Once that question has been answered, the effectiveness of that policy can be determined.

Total economic and military aid to the Latin American region grew almost 98% from 1946 to 1989. In 1946, the U.S. sent only about \$30,000 to the region of Latin America and the Caribbean. In 1991, Latin America and the Caribbean received \$1.39 billion in economic and military aid and grants.¹⁰⁸ Looking at the Central and South American countries that experienced net growth in economic aid, the relationship between American aid and democratic gain can be better evaluated. Table 3.4 indicates a

¹⁰⁵ Held, (1995), 36-38

¹⁰⁶ Lewis Gaddis, (2000), 50-52

¹⁰⁷ Lewis, Gaddis, (2000), 226

¹⁰⁸ United States Agency for International Development. [online] *Economic and Social Database: Latin America and the Caribbean*. Available from the World Wide Web: ([http:// www.usaid.gov](http://www.usaid.gov))

rough relationship between the total economic aid¹⁰⁹ and the net gain in democratic governance.

Country	1946 Score	1991 Score	Total Aid
Argentina		7	\$ 243
Bolivia	-5	9	\$ 1,690
Brazil	7	8	\$ 2,587
Chile	2	8	\$ 1,264
Colombia	5	9	\$ 1,591
Costa Rica	10	10	\$ 1,670
Cuba	3	-7	\$ 4
Dominican Rep	-9	6	\$ 1,455
Ecuador	-1	9	\$ 711
El Salvador	-8	7	\$ 3,329
Guatemala	5	3	\$ 1,416
Guyana		-7	\$ 157
Honduras	-3	6	\$ 1,780
Nicaragua	-8	6	\$ 860
Panama	-3	8	\$ 1,037
Peru	2	8	\$ 1,697
Uruguay	0	10	\$ 208
Venezuela	-3	9	\$ 207

Table 3.5: Cold War Latin American Aid and Democratic Change. Sources: Polity IV Database and U.S. Overseas Loans and Grants 2003.

As we see in Table 3.5 the greater the amount of economic aid in Latin America, the more likely it becomes that democratic trends begin to emerge in that region. This is only a rough correlation, however, and must be considered in concert with many other factors.

The amount of military aid given to the region is also interesting to note. U.S. foreign policy, as it relates authoritarian or totalitarian regimes, often speaks of the right of free peoples to determine their own destinies. In other words, people have the right to determine the type government under which they wish to live. The U.S. was founded on such principles and the policy makers in the country often expressed, especially during the Cold War, that all peoples should have that right. This brings into question the role of

¹⁰⁹ Amounts are in Thousands.

the U.S. in assisting rebellions and coups in the Latin American region throughout the Cold War. If self-determination is a hallmark of democracy, then how can a democracy be established using forces external to the state?

Perhaps one of the most notable actions of the U.S. that appears at odds with the professed support of self-determination was the Bay of Pigs incident, in which U.S. trained Cuban guerillas were left to fight off government troops despite U.S. promises of assistance. Also notable for its departure from the doctrine of self-determination, were the U.S. actions in Guatemala in 1954. In response to the government seizure of land owned by a U.S. company, the United States government assisted Armas in overthrowing the existing Guatemalan government.¹¹⁰ The result was a cruel dictatorship, but one that supported the United States.

The U.S. was somewhat successful in the use of economics to bring countries into the U.S. camp. Examples include Panama, Guatemala, and Iran. The mindset of policy makers at the time was that support for U.S. interests was more important than ideology, as long as the ideology was not Communism. The U.S. gave economic aid to countries that espoused support for the U.S. The question then becomes, did the economic aid actually engender that support, or were countries merely paying lip service to ensure continued economic aid? The answer to that question is that the recipient countries were likely biding their time, taking what they could from both sides of the debate in order to maximize their benefit from the Cold War. Examples abound of countries "switching sides" during the Cold War; Somalia, Iraq, and Ethiopia. Both of the Superpowers played

¹¹⁰ Alan P Dobson and Steve Marsh. *U.S. Foreign Policy Since 1945: Making of the Contemporary World*. (New York, NY: Routledge, 2001), 66-67.

right into this agenda, trying to lure countries from one camp to the other with promises of economic or military assistance.

Throughout the duration of the Cold War 11 of 170 countries experienced a net democratic loss. At first glance it would appear that such a low number of democratic retractions would be considered a foreign policy success for the U.S. But a listing of those countries brings into question both the success of the policy and the ultimate goal of that policy. Of the 11 countries that experienced a democratic retraction during the Cold War, 7 were areas of focus, or areas in which the U.S. was actively campaigning for anti-Soviet sentiment, for U.S. foreign policy.

Country	1946	1991	Change
Cuba	3	-10	-13
Czechoslovakia	10	-2	-12
Egypt	1	-4	-5
Guatemala	5	-2	-7
Indonesia	2	-9	-11
Lebanon	2	-2	-4
Syria	5	-4	-9

Table 3.6: Cold War Democratic Losses. Source: Polity IV Database

Here the debate becomes not so much a question of the success of American foreign policy, but what the goal of that policy was. If the goal was to export democracy to stop the expansion of Communism, then in these eight countries the evidence is that the policy is a failure. It is notable that two countries on the list, both Guatemala and Cuba, were targets of U.S.-assisted rebellions and that both are included in the list of countries that became less democratic over the course of the Cold War. Yet, the U.S. was successful in its Guatemalan endeavors to overthrow the existing government. If, however, the goal of the policy is simply to stop the encroachment of Communism through aiding

governments that were anti-Communist, then the success of the policy is mixed at best. The Middle East experienced a number of democratic retractions that were due to authoritarianism, but not necessarily due to a transition to Communist ideology.

In fact, the Middle Eastern governments were expert at playing the Superpowers against one another. The Middle Eastern countries, with the exception of Israel, did not fall cleanly into one camp or the other. Ethiopia, Somalia, Iran and Iraq all switched camps on more than one occasion during the Cold War. They seemed to be less interested in the warring ideologies of the Superpowers, than they were in what the Superpowers could provide to them militarily.

On the other hand, there were countries that declared sides in the Cold War, to the frustration of the United States. Clearly, both China and Cuba experienced a retraction of any democratic tendencies that may have existed not due to any anti-American sentiment, but rather because they embraced Communism. The proximity of Cuba to Florida leads one to question how the U.S. policy could be considered effective if it cannot control events in its own hemisphere.

While it would seem that the Chinese movement to Communism was a blow to U.S. foreign policy, the U.S. was actually able to capitalize on China's adaptation of Communism to heighten tensions between the world's two largest Communist powers. The downside of that strategy, though, was that Chinese Communism threatened to take over Southeast Asia. The U.S. had to walk a fine line between encouraging Chinese independence from the Kremlin and containing Chinese Communism as well as Soviet Communism. In fact, China became so powerful a force in Southeast Asia, that the U.S.

was involved in two major military actions, Korea and Vietnam, resulting from Chinese expansion in the region.

Civil Society and U.S. Foreign Policy

While the economic factors of U.S. policy are instrumental to the success of the policy, the U.S. focus on civil and governmental structures must also be evaluated to determine both the success of the policy and the effect of that policy on democratization. U.S. policy does not seem to focus as much on these two elements of political change. This indicates an almost one-dimensional foreign policy in which military and economic aid were the primary tools of persuasion. The U.S. did not focus on civil structures and the emphasis on well-developed, sustainable infrastructures seemed to stop at the creation of the Peace Corps.

The Peace Corps was chartered in 1961 and charged with helping lesser developed countries create the infrastructures necessary to sustain economic growth. Inherent in that was the idea that through the interaction with Peace Corps volunteers, citizens in other countries would learn about, and try to emulate, American social values. It would also allow the U.S. to send emissaries of democracy abroad, under the guise of humanitarian actions. Through interaction with the indigenous peoples of these countries, the U.S. volunteers would act as Rostow's¹¹¹ trigger mechanism in the process of modernization, a process that ultimately leads to democracy.

This is not to imply that the U.S. did not recognize the importance of society and social values in the development of a government. In fact, NSC 20/4, one of the first National Security reports of the Cold War, spoke of the need to create "social disunity" among the Soviet Republics. It also addressed the need to encourage attitudes among the

Russian people that "might help to modify current Soviet behavior."¹¹² Recognizing the role of society in government, though, is a far cry from taking steps to create a social structure that actually encourages democratic transitions. The role of society in U.S. foreign policy, vis-à-vis the Soviet Union was only considered insofar as the society could control Soviet impulses.

Within the recommendations and conclusions of NSC-68, the document that most defined U.S. policy during the Cold War, no mention is made of the role of social structure within governmental evolution. Policy makers within the U.S. believed that the ideology of democracy is inherently better than Communism, and concluded that the U.S. society is responsible for that difference, but then reason that the only way the U.S. can use society against the Soviet Union is to create disunity among the republics.

Larson¹¹³ notes the emphasis on values in NSC-68. Repeated references are made to the "values of freedom," and the "values of freedom-loving peoples." Here the Cold War has been made into a psychological war. The Soviets are portrayed as more aggressive peoples because of their perceived excess in the machines of war. In this way, the U.S. was also using its own social structures to maintain an anti-Soviet, pro-U.S. mentality alive within its own borders. But how does the U.S. address social structures in other countries as a method for generating democratic impetus or, at least, pro-U.S. sentiment?

The structure of civil society and the impact it has on the government is left, for the most part, ignored in the American foreign policies of the Cold War. This has more

¹¹¹ Rostow, (1960)

¹¹² National Security Council. [online] *U.S. Objectives with Respect to the U.S.S.R. to Counter Threats to U.S. Security* (November 23, 1948). Available from the World Wide Web: (<http://www.tasc.ac.uk>)

to do with the major thrust of American policy during this time period, than a reluctance to admit the importance of class and social structure in the process of democratization. The main goal of Containment policy was not to circle the Soviet Union with democracies, but rather to keep the Soviets from exporting Communism to the point where the U.S. could no longer function.

The Cold War is rife with examples of the U.S. supporting regimes that were certainly not democratic, demonstrating again that the goal of U.S. policy is national security rather than democracy. Noriega in Panama, Armas in Guatemala and the Shah in Iran all benefited from U.S. policies towards the Soviet Union, yet one can hardly say these were democratic regimes. The goal of the U.S. in supporting these regimes had more to do with national security than with the inherent benefits of democracy over authoritarianism. These moves might also be seen as an almost paranoid attempt to counter what was perceived to be Soviet penetration into other parts of the world. Eisenhower listed several events in the Post World War II era that he identified as Soviet aggression: "...the Korean invasion, the Huk activities in the Philippines, the determined effort to overrun all Vietnam, the attempted subversion of Laos, Cambodia and Burma, the well-nigh successful attempt to take over Iran, the exploitation of the trouble spot in Trieste, and the penetration attempted in Guatemala."¹¹⁴

Here it is interesting to note the apparent duality of American foreign policy. Policy makers were quick to point to the right of free peoples to determine their own governments. But that right apparently extended only to those free peoples that had

¹¹³ Deborah Welch Larson. "International Relations and Social Science Theory," *American Cold War Strategy: Interpreting NSC 68*. (Boston, MA: Bedford/St. Martin's, 1993), 172-177.

¹¹⁴ Dwight D. Eisenhower. [online] Press Conference December 2, 1954. Eisenhower Papers, Whitman File. Available on the World Wide Web at (<http://www.eisenhower.archives.gov/content.htm>)

already chosen democratic governance. While the U.S. may favor one candidate over another in the democratic elections that take place around the world, it did nothing to manipulate the outcome of those elections. Yet, when the 1953 revolution in Iran appeared to be turning against the Shah and towards an anti-American, Islamic outcome, the U.S. stepped in to help the Shah retain his power. The Shah was neither democratic, nor recognized as a legitimate ruler by the majority of his citizens. Similar instances occurred in Panama and in Guatemala.

These examples illustrate that the U.S. placed little importance on social, and even governmental, structures in the context of its foreign policy. As established earlier, social and governmental structures must evolve in order to support democracy. Yet the goal of the U.S. during this period clearly is not focused on growing the community of democracies. Policy during this time focused on creating a roadblock to Soviet influence. Democracy was, at best, a tertiary concern.

U.S. Policy after the Cold War

The demise of the Soviet Union left the U.S. somewhat adrift in terms of foreign policy initiatives. For nearly fifty years, the driving force behind U.S. foreign policy had been not only to beat back the encroachment of Communism in the American sphere of influence, but also to destroy Communism altogether if possible. With the fall of the greatest threat to America, policy makers had to act quickly to put someone, or some regime, in the role of aggressor.

In what Diamond referred to as the "democratic moment,"¹¹⁵ the U.S. was unable to adjust to the new world stage. The U.S. policy makers now floundered between a policy driven by realpolitik and one driven by ideology. George H. Bush, a product of

the Cold War era, seemed uncomfortable in the democratic moment and tried to force the U.S. into a role for which neither the U.S., nor the world, was ready. His policy shifted from unilateralism to multilateralism with surprising swiftness, almost unsure of what the world and the U.S. voting public would accept.

The Clinton Administration embraced the exportation of democracy with open arms. The "New Democrat" ideologies allowed Clinton to undertake the exportation of democracy, but with a more humanitarian rhetoric. Now, the U.S. was protecting the human rights of people all over the world by espousing the benefits of democracy. That the U.S. might benefit from both a security standpoint and an economic standpoint was positioned merely as a fringe benefit. Clinton became the personification of Idealism in Foreign Policy, where his predecessors were cast as hardened politicians whose sole concern was the interest of the U.S.

While the administration of George H. Bush seemed almost adrift in terms of a foreign policy, there were efforts made to address the changing power structure. From 1988-1992, the U.S. tried out two notable departures from traditional Cold War policy. These efforts were, respectively, unitary action in the U.S. interest and the attempt to create a coalition to counter what was perceived as a global threat.

At the dawn of this "New World Order," many U.S. policy makers felt that the U.S. stood alone at the top of the global food chain. From such a position, the U.S. could act in its interests as long as it had the power and reach to do so. It was not necessary to engage U.S. allies to undertake military action abroad. The U.S. action in Panama serves as illustration of the "lone gunman" sort of foreign policy.

¹¹⁵ Diamond, Larry. "Promoting Democracy", *Foreign Policy*. (Summer 1992): 25-46.

The United States identified Noriega of Panama and his state drug smuggling as a threat to U.S. national security. Instead of funding proxies (i.e. domestic rebel groups, etc) in their efforts to overthrow the government, the U.S. opted to take overt action against a legitimate head of state. At the time of the action, the U.S. had not sought approval or support from any of Panama's neighboring countries, nor the U.S.' own allies in the area.

The second attempt at adopting a new foreign policy persona occurred after the Iraqi invasion of Kuwait in 1990. In this instance, which was admittedly much further from the immediate reach of the U.S., leaders in Washington spent weeks and months contacting allies and creating a coalition to combat the hostility of the Iraqi regime. The coalition seemed as if it might usher in a return to the pre-Cold War collective security arrangements. The U.S. put a new twist on the old idea of collective security, however. Though policy makers made a show of gaining international support and cooperation, it was clear that the U.S. would be taking on the leadership role.

The Clinton Administration addressed this void in theory with the National Security Strategy for the Engagement and Enlargement of the Democratic Community. The new security strategy made the exportation of democracy the driving focus of U.S. foreign policy; "The best way to advance America's interests worldwide is to enlarge the community of democracies and free markets throughout the world."¹¹⁶ By placing democracy at the center of the new national security strategy, the Clinton Administration gave the U.S. citizens an agenda they could support and presented a humanitarian face to the international community.

¹¹⁶ William J Clinton. [online] National Security Strategy Press Release. Available from the World Wide Web at (<http://www.whitehouse.gov>)

Throughout the Post-Cold War Era, the U.S. has continued to sit uneasily in the role of global leader. Its actions on an international level have seemed to shift back and forth between coalition-seeking behaviors as in Operation Desert Storm and an almost defiant tendency towards acting unilaterally, as was the case with the bombings by Clinton of camps in Afghanistan and suspected chemical weapons plants in Sudan. In other cases, the U.S. bullied its European allies into cooperating with U.S. missions, such as the air raids in Kosovo. Even as the U.S. drifts back towards Cold War policies with the fight against terrorism, the second Bush Administration seems to waffle between acting unilaterally to contain the terrorist threat and seeking to create a coalition of countries willing to work together to corral terrorists.

With a renewed focus on democracy as a tool to end human rights abuses, and now to contain terrorism as well, the U.S. has tried to position itself on the world stage as something of a benevolent big brother. The U.S. uses foreign aid as a carrot to entice other countries to, if not become democratic, then to at least become pro-U.S. While this may seem a cynical point of view, U.S. patterns and habits of foreign assistance do not bear out the idea of a democratic mentor. More often than not, U.S. assistance indicates that a country has done, or has agreed to do, something that positively affects U.S. interests.

Chapter 4

Comparison of Cold War and Post-Cold War Policy

This chapter compares the goals and effectiveness of U.S. foreign policy vis a vis democracy over the Cold War and post-Cold War eras. The comparison was conducted by examining national security documents, speeches and memos over the course of the period studied. These policy statements were evaluated against the actions of the U.S. during the related period. Also, the policies and actions of the Cold War era were compared to the policies and actions of the post-Cold War era. For both eras, the role of democracy in U.S. foreign policy actions was found to be tangential, at best. In fact, in examining U.S. actions with regard to democracy, it was found that U.S. foreign policy is, at its core, self-interested and that promoting democracy is only an occasional byproduct of U.S. interests.

The totality of America's role in the expansion of democracy cannot be derived simply from examining the most recent policy statements offered by U.S. administrations. Nor can it be divined by reading previous policy positions. In order to understand the differences, if any, between the stance of the United States at the dawn of the Cold War and at the dawn of the new century, a comparison between policies and actions from both eras must be made. To do this, it is imperative to understand the evolution of U.S. foreign policy, specifically the role of democracy in that policy.

The twentieth century has provided the United States with a variety of challenges, from ideological stalemates such as the Cold War to terrorist attacks. Two world wars,

police actions in Korea and Vietnam, "humanitarian interventions" in places like Somalia and Bosnia, and innumerable military actions like Panama, Grenada, Haiti and Kosovo have all combined to give U.S. policy makers a unique perspective on the international condition. The question is, has American foreign policy evolved to meet the changing landscape of international relations in the twenty-first century? What is the substantive difference between Cold War foreign policy and the foreign policy that now drives relations with the U.S. and the rest of the World? How has the policy stance changed over the intervening years?

There are enormous similarities between the position of the U.S. after the Second World War and after the fall of Communism. Foremost among these is that the U.S. emerged from both as the preeminent power in the world. The policies of the two periods can be evaluated by either their stated objectives or on their actual outcomes.

Policy Learning and Change

A discussion of U.S. policy and how it has changed from the Cold War and the post-Cold War period must be prefaced by a discussion of the theories of policy change and policy learning over time. There are a variety of theories regarding the way in which the U.S. government alters its policies over time.

Perhaps the most prominent theory on policy change is Lindblom's "Muddling Through"¹¹⁷ theory. Lindblom describes the incremental nature of policy change. There are, according to Lindblom, two methods through which new policies can be developed; the Rational-Comprehensive or Root approach and the Successive Limited Comparison or Branch approach. In the Root approach, the policy maker undertakes an empirical

¹¹⁷ Charles Lindblom. "The Science of 'Muddling Through,' *Classics of Public Administration* 4th ed, Jay Shafritz and Albert Hyde, eds. (Philadelphia, PA; Harcourt Brace College Publishers, 1997), 198-207

analysis of all policy alternatives, relying heavily on theory, and through a comprehensive analysis, the most appropriate or “good” policy is chosen. This is very resource-intensive and often impractical.

In contrast, the Branch approach starts from the status quo or and builds out from that point in small steps, or increments, based on the desired objective. In this way, policy is never final in that it is perceived to be constantly evolving; “Policy-making is a process of successive approximation to some desired objectives in which what is desired itself continues to change under reconsideration.”¹¹⁸ This is a less comprehensive approach, but given the complex nature of policy problems and the endless number of policy alternatives, is perhaps the most effective for the U.S. government. Essentially, Lindblom states that the government moves in incremental stages because the ends of government in a democratic society are fluid and undertaking paradigm changing policy shifts may not be in the continued best interest, or the perceived interest, of the constituents.

Among the theories of policy process that may account for the same foreign policy machinery generating different policies is the punctuated-equilibrium theory,¹¹⁹ a theory that was adapted from the literature on genetic evolution. According to this theory, stasis and crisis drive the policy process. When crisis occurs, policies are developed to mitigate its effects. The punctuated-equilibrium theory takes Lindbloom's¹²⁰ work on incrementalism and adds a layer of analysis. Lindbloom's original work argues that due to the size and nature of the government, sudden changes or adjustments are difficult to

¹¹⁸ Lindblom (1997), 205

¹¹⁹ Frank Baumgartner, Bryan D. Jones, and James L. True. “Punctuated-Equilibrium Theory: Explaining Stability and Change in American Policy Making.” *Theories of the Policy Process*. (Boulder, CO: Westview Press, 1999), 97-115.

implement, and so change occurs in small steps because maintaining the status quo is typically the objective.

Punctuated-Equilibrium Theory has the same basis as the above theory of "muddling through,"¹²¹ that is that the goal of government is to maintain the status quo and that substantive change is difficult to implement. However, in the latter, the focus is less on the static nature of policy and more on the dynamic nature of policy making in crisis. While maintaining the status quo remains the goal, policy making takes on a comparatively frenetic pace in the face of crises. The policies that resulted from that crisis are maintained until another crisis is confronted. The Cold War period is excellent illustration of the punctuated-equilibrium theory at work in the policy process.

Laswell defined the policy process¹²² as occurring in a number of stages: Intelligence, Promotion, Prescription, Invocation, Application, Termination, and Appraisal. Sabatier and others address the need for a more complex theory on policy.¹²³ They argue that the Stages Heuristic has several shortcomings. Among them are:¹²⁴

- 1) The Stages Heuristic is not causal in nature.
- 2) The stages offer inaccurate descriptions of the process.
- 3) The Heuristic incorporates a top-down bias, focusing on passage and implementation.
- 4) It assumes that there is a single policy cycle.

Another theory of policy change involves learning how other governments or organizations, across time and geography, in order to apply them to a current situation.

¹²¹ Lindblom, (1997) 198-208.

¹²² Harold Lasswell. *The Decision Process*. (College Park, MD: University of Maryland Press, 1956)

¹²³ Paul A. Sabatier, ed. *Theories of the Policy Process*. (Boulder, CO: Westview Press, 1999)

According to Rose,¹²⁵ drawing lessons to apply to policy involves four analytical stages. They are searching for a program or solution that was successfully applied to a similar situation in another time or place, determine the cause and effect of that situation, creating a lesson or program for the current situation, and performing a pre-application evaluation of the effects of the program on the current situation. In many cases, this is an effective method for determining the instrument through which to handle a “new” policy issue. Look to the past and to other countries to see how similar situations have been handled and build on that to correct the current situation.

In foreign policy, and in the spread of democracy in particular, lesson-drawing does not seem to be an adequate method for determining new policies. The United States does not have another government to look to for lessons in this endeavor. When applying policies used in similar situations in the past, the U.S. has failed to adequately alter the policy to the point that the outcome changes. With the exception of the surrender of the Axis after World War II, the U.S. has had very few lasting, successful outcomes with its experiments in nation-building.

When discussing the policy process, however, it would be remiss not to discuss policy learning, the process through which policy makers gather new information and incorporate that knowledge into a new policy. Sabatier’s theory on policy learning depends heavily on organizational beliefs: “A belief system guides coalition members concerning the problems that should receive the highest priority, the causal factors that need to be examined most closely, and the governmental institutions most likely to be

¹²⁴ Sabatier, (1999), 7

¹²⁵ Richard Rose. *Lesson-Drawing in Public Policy: A Guide to Learning Across Time and Space*. (Chatham, NJ: Chatham House Publishers, 1993)

favorably disposed to the coalitions point of view.¹²⁶ The coalition then tries to change the government or agencies behavior to achieve the goals of the coalition. The key to this approach is that, while the tactics may change over time, the underlying, or core belief remains the same. The coalition or policy makers will use new information to buttress their fundamental belief, while altering their approach based on the core of their policy. In this case, the core belief is that democracy is fundamentally superior to other forms of government and that by creating a larger community of democracies, the U.S. will enjoy greater security and prominence in the international arena.

Policy Comparisons

While American foreign policy has largely revolved around a realpolitik paradigm, the degree to which self-interest takes center stage varies according to the perceived threat from international actors. Realpolitik is defined as a policy in which more emphasis is placed on "power considerations and less on moral or ethical considerations. The attainment and maintenance of state security...through balance of power...is viewed as the primary goal."¹²⁷ While American policies are driven by these considerations, they also vary according to the sensitivities and sensibilities of the American public. As the citizenry becomes more informed about and interested in international relations, American policy makers must also become more attentive in order to win public support for their policies.

In order to determine the substantive differences between Cold War and Post-Cold War policy, each era is compared on the basis of several main issues: the goal of the

¹²⁶ Hank Jenkins-Smith and Paul A. Sabatier. "The Dynamics of Policy-Oriented Learning," *Policy Change and Learning: An Advocacy Coalition Approach*, Paul A. Sabatier, ed. (Boulder, CO; Westview Press, 1993), 41-56

¹²⁷ Mark V. Kauppi, Paul R. Viotti. *International Relations Theory: Realism, Pluralism, Globalism, and Beyond*. (Boston, MA: Allyn and Bacon, 1999), 492

policy, the implementation of the policies abroad, the role of ideology therein, the regimes to which the U.S. gives support, and policy effectiveness. These comparisons serve to illustrate the evolution of American foreign policy over these two dramatically different time periods.

Policy Goals

American foreign policy must always have as its goal the protection and furtherance of U.S. national interests. The way the country does this, and the threats that are perceived, should vary with the circumstances of the era. Upon first inspection, the pre- and post-Cold War policies are very different. Cold War policy purported to stop the encroachment of Communism at all costs, while post-Cold War policy proposes to spread democracy. The former policy was reactive while the latter is proactive.

It is very difficult to unearth the actual goals of any policy. Policy makers may have some objectives in mind that are not articulated either in the language of the policy itself or in the rhetoric surrounding it. In light of that, the only goals compared here can be those that are clearly articulated. For example, the Cold War Policy can be summed up in the first objective listed in NSC-68:¹²⁸

"...our general objectives with respect to Russia ... should be
a. to reduce the power and influence of the U.S.S.R. to limits which no longer constitute a threat to the peace...
b. to bring about a basic change in the conduct of international relations by the government in power in Russia, to conform with the purposes and principles set forth in the UN charter."

By contrast, the goals set forth in the National Security Strategy for Engagement and Enlargement are a bit more intangible;

*"To enhance our security with military forces that are ready to fight and with effective representation abroad.
To bolster America's economic revitalization.
To promote democracy abroad."*¹²⁹

Granted, the lack of a centralized threat meant that the security policy necessarily was broader, but the language of the new security policy basically gave the administration carte blanche to forge policies that were not the standard American policy centered on defense. It also lulled both the domestic and international public into a belief that the new U.S. policy would be one focused internally on the economic health of the country, and externally on democracy and human rights. That stance presents a stark contrast to the position of Cold War U.S. policy.

The languages of the policies are very different. Cold War policy is very much focused on national defense, and a reaction to the perceived threat of the Soviet Union. Gaddis¹³⁰ writes that, should countries that are authoritarian in nature surround the U.S., the U.S. may not be able to hold true to its democratic roots. In keeping with such sentiments, Cold War policy focused heavily on military readiness and the ability of the U.S. to garner support in the event of a war with the U.S.S.R. Alliances were created and kept in order to keep the Soviet Union at bay, and to create a buffer zone around Communist controlled regions.

By contrast, the declared goal of Post-Cold War, Clinton-era policy was to expand the community of democracies. Clinton's New-Democrat ideals resonated with an

¹²⁸ National Security Council. "U.S. Objectives with Respect to the U.S.S.R. to Counter Soviet Threats to U.S. Security," *Foreign Relations of the United States, Vol 1*. (Washington, D.C: Government Printing Office, 1948)

¹²⁹ The White House. *A National Security Strategy of Engagement and Enlargement*. (Washington, DC: Government Printing Office, 1996)

¹³⁰ Lewis Gaddis *The United States and the Origins of the Cold War 1941-1947*. (New York, NY: Columbia University Press, 1972)

American public that found itself at the pinnacle of global power, with no obvious challenger. The crusading nature of the American public led the administration to adopt the policy of "democratizing" the world. The purpose of this proposed expansion was not as altruistic as it first appeared. Increasing the number of free-market, democratic societies would also increase the number of trading partners for the U.S.

The goal of the policy of the Cold War, as stated, was the containment of the Soviet Union. Deriving from that, the maintenance of a military presence in those regions deemed to be a danger was imperative. To sustain that goal, the U.S. was forced to enter into alliances that were undesirable at best. The Panamanian example, in which the U.S. supported Noriega while he maintained a dictatorship that actively participated in illicit drug trafficking, serves as illustration of such an ill-advised tie. U.S. actions in Guatemala in 1954 also serve to support the idea that U.S. actions were not always driven by democratic ideals. The U.S. supported an uprising in Guatemala that led to the autocratic rule by General Miguel Ydigoras Fuentes. Presenting an aura of military prowess and undeniable punitive forces was the primary means of achieving Soviet containment, and as such, the U.S. was concerned less with the practices of its allies, than it was in shoring up anti-Soviet affiliations. The result was that while the United States paid homage to the ideals of democracy and human rights, it was at the same time actively supporting regimes that were their antithesis.

A secondary goal of U.S. policy during the Cold War seemed to be the creation of an almost paternal image for the United States. This goal is seemingly at odds with the first, yet is just as important to achieving U.S. objectives. If the heart of U.S. policy was predicated on stopping the encroachment of Soviet influence, then the best method of

countering that influence is to "market" democratic ideals and the values. This goal was carried out primarily through humanitarian missions, food aid, and the Peace Corps.

Foreign policy in the Cold War era was very definitive. Though policy makers may have been unsure, the policy that they made was very confident. The enemy was known. The way to keep it at bay was through the projection of military power. The goal was clear; keep the Soviet Union from encroaching any further into "democratic territory." The way to meet that goal was through a military balance of power. At the very least, the illusion of a military balance of power was necessary to maintain the goal of geopolitical balance. Foreign policy, for the better part of 50 years, was predicated on maintaining that balance.

Contrast the above policy goals with those of Post-Cold War policy, which is dynamic and shifting. From the review of U.S. actions and policy statements made during the course of this study, it appears as though the United States has tried to step into different policy shoes after the demise of its antagonist. These efforts have met with mixed success. The U.S. has attempted to act as both the "lone wolf," acting unilaterally while maintaining a persona of the team player, and the "patriarch", trying to shepherd its allies into acting in accordance with U.S. interests. These "policy personalities" have met with limited success in the absence of perceived common threat.

The primary goal of U.S. foreign policy in the aftermath of the Cold War is, on the surface, the expansion of the democratic community. The idea, derived from Kantian Perpetual Peace theories, is that the world will become a safer, more peaceful place if the majority of the countries are democratic. With that in mind, the policy machinery in

Washington, D.C. created a policy that employs these Kantian ideals as its theoretical engine.

It is here that theory and application diverge. In reality, economic concerns appear to have driven Post-Cold War policy to a greater extent than notions of democracy have. The Clinton Administration repeatedly referenced the economic interest of the U.S. in increasing the number of free market economies participating in international trade. To that end, the more recent administrations have been willing to overlook a variety of faults to increase the size of its international market. To illustrate, one can contrast the treatment of two Communist countries in the post-Cold War environment: China and Cuba.

China, though staunchly and unrepentantly Communist, has been granted Most Favored Nation (MFN) status by the United States on several occasions in the last decade. The Clinton Administration cited the idea of engagement as the pivotal factor in granting China MFN status. The notion put forth by the Clinton Administration was simply that by engaging this Communist country in capitalist free trade in the international market, Chinese policy makers would be more favorably inclined towards democracy. While China's Most Favored Nation status dates back to the 1980s, Clinton's administration believed that through active encouragement and attention, China would come to see the economic benefits of democracy. Over the course of several years, the idea went, the Chinese would slowly liberalize in terms of both economy and government. While acknowledging that the policy has had limited time to prove itself, it seems that China has made little effort to liberalize in any way. Washington continues to

chastise the Chinese government for a variety of human rights abuses, yet there is not a concerted move in Washington to change the policy towards China.

Cuba, on the other hand, has been the subject of economic sanctions since 1962 in response to its Communist government. The sanctions have had little effect in convincing Cuba's government of the supposed wrong-headedness of its ideology. Rather, the result has been even greater intransigence on the part of Castro. The sanctions were enacted under Kennedy and no subsequent administration has seen fit to relax those sanctions. The U.S. continues to cite human rights abuses among the leading factors in continuing the sanctions.

The explanations for such different treatment of similar regimes are subtle. One could say that the policy learning cycle has not had enough time to influence the trade policy on China. Sabatier's¹³¹ policy cycle theory states that the cycle of policy learning and evolution takes at least a decade. Clinton's Engagement and Enlargement was in effect for fewer than ten years. The time frame from policy implementation to the present has not been sufficient for policy makers to determine the effectiveness of the engagement policy and to formulate a response. That same explanation rings hollow when applied to the Cuban situation.

In that case, the U.S. has had almost half a century to evaluate the effectiveness of the economic sanctions against Cuba. That the sanctions have been unsuccessful is rarely disputed. Yet the policy has not been changed. These two particular cases illustrate the primary differences between Cold War and post-Cold War policy goals. Cold War policy was largely opposed to any interaction, other than confrontation, with Communist

¹³¹ Paul A. Sabatier. "Policy Change Over a Decade or More," *Policy Change and Learning: An Advocacy Coalition Approach*, Paul A. Sabatier, ed. (Boulder, CO: Westview Press, 1993), 16

regimes, regardless of the economic or social impact of such a stance. Ideology was the most important factor of international relations. Post-Cold War policy is more interested in economic interest than ideology. The markets and trade opportunity presented by China is more important to the U.S. than any ideological impasse between the two governments. Two notable exceptions to the apparent impasse were the "Thaw" of the 1950s and the Détente ushered in by Nixon in the 1970s.

As economic interests have taken on more relevance in foreign policy, it would logically seem that the projection of military power has decreased in importance. That has not been the case, though. It continues to be of paramount importance in the practice of U.S. policy.¹³² What has significantly changed in the policy is the importance that is placed upon non-military aspects of international relations.

Though the Cuban Embargo remains, U.S. policy is now more focused on instituting infrastructures and changes that will support a democratic transition within other countries. U.S. policy recognizes and addresses to varying degrees the importance of health, education and civil society in the creation of democratic governments. Towards that end, the U.S. has undertaken a number of policies that aim to address, if not correct, the lack of the above-named attributes in countries that the U.S. believes are good prospects for democratization.

The apparent emphasis on economic interests highlights another difference in the two policies: their consistency. The focus on ideological supremacy gave Cold War policy a constancy that is missing in post-Cold War iterations. The international community could rest fairly securely in their knowledge of where the U.S. stood on an

¹³² Center for Defense Information. [online] *Military Almanac, 2001-2002*. Available on the World Wide Web at (<http://www.cdi.org/products/almanac0102.pdf>)

issue. Foreign policy in more recent years can be described as more fluid. Though policy makers often indicate that the values of democracy and human rights are the drivers of policy, the U.S. often acts in ways that are reactive to threats against its economic interests rather than protective of human rights and democratic values.

Emerging from World War II, the expansionist tendencies of the Soviet Union were perceived by policy makers in Washington as a threat to both U.S. interests and even to its survival. This crisis birthed a major change in the foreign policy paradigm of the United States. Rather than maintaining a distance from world affairs, the U.S. now had a definite interest in participating in global concerns. The rise of the Soviet Union, then, was the crisis that drove the creation of Cold War policy. The status quo was the stalemate that endured from 1948 – 1991. Foreign policy did change in the intervening years, though not radically, as the U.S. was focused on reigning in Soviet influence.

The fall of the Berlin Wall and the disintegration of the Soviet Union could also be identified as crises that changed the paradigm in which U.S. policy was created in the post-Cold War era. The subsequent 10 years were relatively stable. Foreign policy followed in the same vein that greeted the collapse of Eastern European Communism. American foreign policy took on a less reactive and more proactive approach to international relations. Rather than waiting to see the effect of Russian policies or maneuverings, the U.S. began to identify its priorities (i.e. economic interests, humanitarian interventions) and act to promote them.

There is one change over the course of the last 60 years that does, however, have a great impact on the policy: the public. The transition from defensive state to proactive, missionary state was, and continues to be, a difficult one for the United States. During

the Cold War, the public recognized the Soviet Union as a common foe, and the need to create and maintain a foreign policy that kept it at bay was accepted. In the aftermath of the Cold War, the public is far less united in what it perceives as the goal of U.S. foreign policy. Lake¹³³ pointed out that in the wake of the Cold War, "there is no longer a consensus among the American people around why, or even whether, our nation should remain actively engaged in the world." The Chicago Council of Foreign Relations indicates that American support for many foreign policy initiatives has dropped substantially since 1975.¹³⁴

The effect of the public on foreign policy is something that is difficult to gauge but can be seen in the way that policy is framed and the attention that is paid to it in the media. Wildavsky noted that presidents have greater control over foreign policy than they do over domestic policy due to public preferences and opinions, among other factors: "The President's normal problem with domestic policy is to get congressional support for the programs he prefers. In foreign affairs, in contrast, he can almost always get support for the policies that he believes will protect the nation..."¹³⁵ To support his position, Wildavsky writes that though the public may be well informed as to the impact of domestic issues, it is less so regarding U.S. policy actions on far distant countries or situations.

Several factors have lessened the degree to which the presidency takes on different operating procedures. Wildavsky argues that because the public is relatively uninformed about foreign affairs, the president has greater latitude to act in that arena.

¹³³ Anthony Lake. "From Containment to Enlargement: Current Foreign Policy Debates in Perspective," *Vital Speeches of the Day* Vol. 60, Issue 1 (October 15, 1993): 13-21.

¹³⁴ Chicago Council on Foreign Relations. [online] *Global Views 2004: American Public Opinion and Foreign Policy*. Available on the World Wide Web at (<http://www.c CFR.org/globalviews2004/index.htm>)

Peterson¹³⁶ states that the decade of the seventies marked a decided departure from the previous apathy of the public in foreign affairs and government in general. The discovery of illegal practices on the part of President Richard Nixon and others in his administration not only put the president under greater scrutiny, but also gave Congress more latitude in their oversight of presidential actions.

Such governmental scrutiny is only growing as the speed with which information can travel increases. As the availability of information increases, the autonomy of the president in foreign affairs decreases. This phenomenon began with the Pentagon Papers and Watergate scandals and continues with growth of the Internet as a news medium, e-mail for instantaneous communications, and satellite broadcasts of world events. The American President is now in the position of having to justify his foreign policy decisions to the public.

During the Cold War, about one third of the U.S. public longed for a return to the pre-World War II policies of isolationism, naively believing that the U.S. could avoid conflict by remaining isolated.¹³⁷ For the most part, the public gathered its information from what they heard on the news or read in the paper. Today's public has far more information at its disposal. C-Span and similar broadcast channels make the political process more transparent than it has been historically. Couple that with the mandate that the media has been given to discover and report on any hint of the unusual, either personal or political, and the government now has very few policy secrets.

¹³⁵ Aaron Wildavsky. "The Two Presidencies Thesis" in *The Beleaguered Presidency* ed. Aaron Wildavsky. (New Brunswick, MA: Transaction Publishers, 1991), 29-66

¹³⁶ Paul A. Peterson. "The President's Dominance in Foreign Policy Making," *Political Science Quarterly* Volume 109, Issue 2. (Summer, 1994): 215-234.

¹³⁷ Howard J. Wiarda "The Paralysis of Policy: Current Dilemmas of U.S. Foreign Policy Making." *World Affairs* Vol. 149, Issue 1. (1986): 15-21.

The ubiquitous nature of information and the media has had a dramatic effect on the issue-attention cycle (IAC) of policy formulation. Downs¹³⁸ model of IAC includes five main stages: Pre-problem, Alarmed Discovery, Realizing Cost of Progress, Decline of Public Interest, and Post-problem. His theory basically says that if only the politicians and experts are aware of a problem, it is less likely to garner political attention than if the media and public are aware of the issue and began to pressure their political representatives for action. With so much information via the Internet and cable news channels, there is now no lull in the cycle. Policy-makers must always be ready and able to answer their constituents on any issue.

As a result of the abundance of available information, policy-makers in DC must be much more careful, both in the policy that they develop and the rhetoric in which that policy is couched. These tactics bespeak a more sophisticated public, as well as savvier politician. Such tactics were unheard of during the Cold War period. Policy makers need to be mindful of the public mindset when evaluating changes to foreign policy.

Another significant difference in the policies of the two eras is the straightforwardness with which politicians actually address their foreign policy goals. As illustrated earlier, the Cold War policy was very forward in stating that its chief objective was to reduce the influence of the Soviet Union in international affairs and to bring about a change in the Soviet regime. Because the U.S. public perceived the U.S.S.R. as a very real threat to the American way of life, the policy was usually accepted, the opposition to the war in Vietnam and protests over the nuclear arms race notwithstanding. In that

¹³⁸ Anthony Downs. "Up and Down with Ecology: the Issue Attention Cycle," *Public Interest* Vol. 28, Issue 1. (1972): 38-50

respect, the presidential administrations of the Cold War were given wide latitude in acting against perceived threats to U.S. national interest.

By contrast, the ambiguous nature of post-Cold War policy has left the American public largely unsure of what position the administration will take in its international relations. Since the fall of the U.S.S.R., the U.S. has tried a number of foreign policy roles, traversing the pendulum from structuralism back to an almost neo-Cold War stance. In addition to that, when the administration does act, the U.S. public often has difficulty relating the action to a threat to national security.

The public is not predisposed to support a policy that it does not understand. The U.S. public is least likely support ones designed to "improve the standard of living of less developed nations, helping to bring a democratic form of government to other nations, and protecting weaker nations against foreign aggression."¹³⁹ These views are at odds with the goals of U.S. foreign policy in general. In a seemingly contradictory finding, Chicago Council of Foreign Affairs found that U.S. sentiment favoring internationalism, or U.S. participation in world affairs, is at its highest (71%) since the mid-1950s.¹⁴⁰ This dichotomy of public opinion, wanting the U.S. involved but only as it directly impacts the security of the U.S., marks delineation between Cold War and post-Cold War sentiments and circumstances.

There is a stark division between the circumstances of Cold War policy and post-Cold War policy. During the former, there was a strong connection between the ideology of Communism and the threat of physical danger to the American public. The Soviets

¹³⁹ The Chicago Council on Foreign Affairs. [online] "American Public Opinion and U.S. Foreign Policy, 1999" Available from: ([http:// www.ccfra.org/publications/opinion/opinion.html](http://www.ccfra.org/publications/opinion/opinion.html))

were taking steps to install nuclear missiles in Cuba. It was very easy to link the ideological threat of the Soviet Union to the likelihood of physical attack.

Today's international stage is much different, especially in the sense that there is not one predominant ideology that the U.S. is attempting to contain. Instead, the U.S. is dealing with a broad list, including "terrorism," "human rights violations," and "poverty," that do not necessarily share a common denominator. It is difficult to see the correlation between these things when there does not appear to be a direct threat to the physical safety of the United States. Unless an administration can connect the dots for the public, it will draw criticism for its policy.

The Application of Foreign Policy by the U.S.

Perhaps the most notable difference between the two policies is the way in which they are applied. In the years after World War II, the U.S. appeared to try to minimize its military involvement in any geo-political conflict that showed signs of escalating to nuclear war, or a standoff between the two Superpowers. There were two primary reasons for this. The first was the uncertainty U.S. policy makers had about the gap in military power between the U.S. and the U.S.S.R. U.S. policymakers felt that the "missile gap" was not tilting in their favor. The second was the fear of nuclear war. The Cuban Missile Crisis was a defining lesson, for both parties, in how easy it would become to depend upon the threat of nuclear weapons instead of diplomacy.

With those thoughts in mind, the Superpower policy of "war by proxy" becomes much easier to understand. Instead of confronting each other outright in various arenas around the world, the U.S. and the Soviet Union played a sort of geo-political chess,

¹⁴⁰ The Chicago Council on Foreign Affairs and The German Marshall Fund of the United States. [online] "A World Transformed: Foreign Policy Attitudes of the U.S. Public After September 11."(2002) Available

supporting one country against another, trying to steal the other's pawns and ultimately stop the "imperialist expansion" of the opponent. Throughout the 1950s and into the late 1980s the two countries alternated support of various Third World countries in an attempt to thwart the plans of its enemy. The Cold War is peppered with instances in which the two Superpowers faced off with one another using other countries as proxies. Korea, Vietnam, and the countries of the Middle East were all stand-ins for either the U.S. or the U.S.S.R. at one point or another. This resulted in the proliferation of American and Soviet weapons throughout the Middle East and Asia.

As the Cold War came to a close, both countries seemed to retract, acting in their own hemisphere, if they acted at all. The Soviet Union was crumbling under the strain of seventy years of command economics. It was neither politically nor economically prepared to continue its role as a Superpower. Similarly, the United States was hard-pressed to continue its activities abroad at the same scale in the absence of the threat of Soviet expansion. Instead, policy turned once again to Latin America.

The invasion of Panama was the first military action taken by the United States after the Cold War. It set some interesting precedents. One was that the U.S. was acting in its own backyard, overtly, rather than using a proxy army to fight its battles. Secondly, the action taken in Panama had nothing to do with ideology, but rather with stemming the flow of illegal drugs through Latin America and into the United States. The United States was in the infant stages of developing foreign policy that was more clearly focused on the internal, physical well being of the United States. The economic and public health ramifications of the drug trade had finally taken precedence over the relationship of the Panamanian president with the U.S. Lastly, the U.S. had announced in no uncertain

terms that it had the right and the ability to take action independent of any international structuralist organizations.

Since that time, the U.S. has taken it upon itself to act independently while preserving the illusion of seeking international acceptance of large military actions, but over the course of the last ten years the U.S. has clearly sent the message that the U.S. will act in its own interests, with or without the approval of the international community. Examples of such independent actions include the bombing of targets in the Sudan and Afghanistan in the wake of attacks on U.S. embassies in Kenya and Tanzania.

In the years since Panama, the U.S. has often maintained its independence of the United Nations while still trying to give the aura of being a team player. Saying that, though, does not imply that the U.S. waits for approval of the UN before acting. The U.S. gives the UN the opportunity to take a stand on an issue, then proceeds as U.S. policy makers see fit. If the UN position was in agreement with the U.S. all the better, but if the UN did not agree, the U.S. proceeded anyway.

The U.S. has adopted a "king of the hill" foreign policy. The U.S. is at the top of the mountain, having dislodged everyone else from their footholds. In this respect it is interesting to note the diplomatic differences in policy during and after the Cold War. During the Cold War, much effort was made by the U.S. to curry international favor. The U.S. had to be seen as the benefactor of the less developed countries and the protector of democracy in order to maintain a balance of power with the Soviet Union. The void left in the international realm by the collapse of the Soviet Union meant that the U.S. no longer had to maintain that balance. As the only power left that controls a fearsome

military and the economic wherewithal to exert force abroad, the U.S. became far less circumspect in its activities.

Rational Actor Comparison of Cold War and Post-Cold War Policy

As seemingly incompatible as the two policies are, one might be led to inquire as to how one country could be responsible for both without undergoing some major transformation. Though the shift from a bipolar to unipolar world may explain the shift, another way to answer that question is to view the situations through the paradigm of the Rational Actor Model, the "attempt to explain international events by recounting the aims and calculations of the nations or governments"¹⁴¹ involved. By analyzing the goals of the state and the constraints under which it is operating, a state's probable course of action can be defined. One of the difficulties with this model, though, is that it presumes that all of the constraints are known. For that reason, the approach is somewhat limited in terms of predictive modeling, but can be an extremely useful tool for post hoc analysis.

The key is to look at the state as a monolithic entity, a unified actor. In foreign relations, the varying interests of a pluralist society are aggregated to the national interest, which the administration is charged to protect. Therefore the unified actor assumption in international relations is imperative. The state is the basic unit of analysis, the "problem" or behavior to be explained is the policy, and the differences in policy from one era to the next. The following table depicts the different constraints and objectives of the United States during the two time periods from this perspective.

¹⁴¹ Graham Allison and Philip Zelikow. *Essence of Decision: Explaining the Cuban Missile Crisis*. (New York, NY: Longman Press, 1999), 13

The classical model is predicated upon the "core concepts" of goals, alternatives, consequences and choice.¹⁴² Because each state is a rational actor, it will seek to satisfy as many of its requirements as possible while using the fewest resources. The actor will lie out possible scenarios and the consequences of each of those scenarios. The actor will then choose the course of action that best meets the objectives while incurring the fewest costs, both economic and otherwise.

The U.S. is the central actor in each of the scenarios, but its objectives changed over the years. The principal one during the Cold War was the physical security of the country. The U.S. faced several possible courses of action in this regard. It could confront the U.S.S.R. and engage the country in all out war. Not only would that choice result in enormous loss of life, the economic repercussions would be devastating. Engaging the U.S.S.R. in direct military conflict without a firm understanding of the military force of that country is a contradiction of the rational actor model.

Era	Objectives	Options	Consequences
Cold War	Military Security	Direct Military Confrontation	Military loss, Economic loss
		Isolationism	Ideological defeat, Soviet encroachment, Economic Loss
		Chess	Avoid direct military confrontation/nuclear war, build up military/economy
Post Cold War	Economic Security	Neo-Colonization	Expense, Military Confrontation, Diffusion of Power
		Military force	Expense, degrade pro-US sentiment, humanitarian cost
		Isolationism	Economic degradation
		Enlargement	Increase trading partners, increase military allies, increase overall security

Table 4.1: Table Relating Possible Courses of Action According to the Rational Actor Paradigm

Alternatively, the U.S. could encapsulate as it had done at the end of World War I. This option would make confrontation far less likely and also limit casualties. There are several downsides to that course of action, though, such as economic stagnation. Without the ability to engage in international trade, the U.S. would have been forced to scale back

¹⁴² Allison and Zelikow, (1999), 18

its levels of production, thereby resulting in an economic downturn and possibly a recession. If the U.S. retreated then the U.S.S.R. could increase its influence into the U.S. sphere before the U.S. has a chance to react. The U.S.S.R. also posed a very real ideological challenge to the U.S., such that ignoring the dogma spread by the Soviets could lead to a lessening of the power of the U.S. As a result, the idea of continued isolationism would be antithetical to U.S. policy makers' belief in the advantages of democracy and the U.S. NSC-68 stated that the U.S. had to continue to counter the ideological appeal of Communism in order to preserve the "American" way of life. By continuing to act on a global scale, and demonstrating the benefits of democracy, the U.S. could staunch the ideological flow of converts to Soviet ideology, and subsequently strengthen its own position.

A third choice presented itself to Cold War policy makers, namely to play a strategic game of cat and mouse, chasing one another across the globe. The U.S. could engage the world economically, politically and militarily, while avoiding direct confrontation with the Soviet Union. This would allow the U.S. to interact in the world market, luring allies with trade partnerships. It would also allow the U.S. to offer military aid to countries in exchange for alliances. Economically, this presented the U.S. with its best options.

Militarily, the last option, containment, also offered the U.S. its best alternatives. It would allow the U.S. to avoid direct military confrontation, using other armies as "proxies" of its foreign policy. In that way, the U.S. could begin addressing any perceived "missile gap" or other disparity in military abilities without directly confronting the U.S.S.R. Although the U.S. did engage in two prolonged confrontations

with Communist forces, in Korea and Vietnam, the two Superpowers avoided war. By circling the U.S.S.R. with pro-U.S. states, Soviet expansion could be curtailed.

After a very brief examination of the choices faced by the U.S. after World War II, the choice of containment best met its security and economic needs. In a similar fashion, the U.S. laid out its alternatives in the Post-Cold War world. In light of the fall of the Soviet Union, the U.S. was challenged to determine a new course for itself. In the vacuum left by the Soviet Union, the U.S. determined that its economic interests were its security interests. After it had been determined that the economy was the key, the U.S. again had to determine the proper course of action to protect that key. One course of action was neo-colonization. The country could project its power over the globe and simply attempt to impose its economic will on other countries. The argument could be made that the U.S. had the military power to make this occur. There were several problems with that path, however. First, the expense involved in maintaining such a vast territory is prohibitive. History has shown that such an over-extension can bankrupt a country. Hand in hand with that is the diffusion of power experienced by a country that attempts to maintain vast territories. If the U.S. were to try to defend it, it would have to spread its military so thin as to open the country to attack. In a similar vein, the U.S. could employ military force to bring about its will. The problems with that are numerous, including erosion of pro-U.S. sentiment, which also makes defense more difficult.

Isolationism was an alternative. The world had entered an age of global economics, though. To ignore the international market would be to invite economic hardship to the country. The U.S. simply could not revert to a protectionist, isolationist

stance without sacrificing its hard won economic stability. Having just emerged victorious from the Cold War, the U.S. saw only one alternative; use democracy as a means to insuring the economic stability of the U.S., by lessening conflict.

The U.S. chose to use democracy as a means of shoring up its world status. It had several reasons to choose this, not the least of which was the perception that with more democracies, there would be less need to maintain the expansive military that was necessitated by the Cold War. Additionally, it was believed that a larger community of democracies would mean greater trade opportunities and fewer chances of military confrontation.

From a rational actor perspective, both policies made sense considering the constraints within which policy makers were operating. These two time periods saw different levels of capability from both the U.S. and its foes. The U.S. also had two very different objectives during the two policy periods: physical security and survival versus economic development. From an international relations perspective, the rational actor model explains the choices made by policy makers of the day. Does the rational actor model also explain the domestic political reasons for the two, very different policies?

The simple answer is that, domestically, these policies were sound. While they specifically addressed U.S.' relations abroad, they did have an effect on the domestic political situation as well. If individual politicians are recognized as being rational actors, then it is accepted that the actions that they take are going to be in the best interest of the public, or at least in their own best interests. The only way in which politicians can be certain of continuing their roles as national policy makers is to create a favorable image of themselves with the voting public.

Harkening back to Wildavsky's "Two Presidents" theory, one can see that actions taken on an international scale can affect the domestic force with which the president speaks. Both Cold War and post-Cold War politicians have taken advantage of the impact of foreign policy actions on domestic approval ratings. As the people begin to perceive their policy makers as adept foreign policy makers, their domestic approval ratings begin to improve.¹⁴³ As domestic approval ratings begin to improve politicians have an easier time getting public approval for their domestic policies.

During the Cold War, the American public very clearly saw the Soviet Union as a threat. If an American politician wanted to create and maintain a positive image with the public, then that politician had to take a strong stand on the Soviet Union and its policy of expansion. Policy makers took care to paint the Soviet Union as the enemy throughout most of the Cold War, even going so far as to label it the "Evil Empire," so that the people would perceive any action taken against the Soviet Union as an action in defense of the U.S.

In a similar fashion, post-Cold War administrations have often taken advantage of international events to influence domestic voters. Democracy had clearly won the day, or so went popular sentiment. The domestic economic situation, in which the U.S. was experiencing a recession, prevented the first President Bush from capitalizing on the Cold War victory. The Clinton administration, though, adroitly made the export of democracy and economic well being the cornerstone of its foreign policy. By painting the U.S. in a paternal light, interested in helping other countries achieve the same level of economic

¹⁴³ The effect of military actions on presidential approval ratings has been widely studied. For a discussion on the effect of military actions, see Richard Brody and Catherine Shapiro, "The Rally Phenomenon in Public Opinion," *Assessing the President: The Media, Elite Opinion and Public Support*. (Stanford, CA:

development and freedoms that the U.S. had achieved, the Clinton administration won wide approval for its domestic policies. The Clinton administration publicly eschewed force where possible, choosing instead to use economic incentives to lure countries into the democratic fold. After almost half a century living under the threat of war, the American public found such an approach appealing, and Clinton and his administration were very popular.¹⁴⁴

So the rational actor model works both domestically and internationally. The policies were not only created from the events and constraints taking place on a global scale, but also were the results of the domestic constraints under which the various administrations were working. Couple that with Wildavsky's "Two Presidents" paradigm and one can see the importance of foreign policy success to the overall success of an administration.

Comparison of Policy Impact on Global Democracy

While the two policies did have different goals, national security versus economic security, their underlying principles are the same. The U.S. public believed that democracy is more desirable than other forms of government. As such, the rhetoric surrounding American international policy is generally focused on the preservation of democratic principles. One of the most notable differences between the Cold War and post-Cold War policies is the scope of the principles. Cold War policy was concerned with the survival of democracy in the United States. The Soviet Union posed a threat to

Stanford University Press, 1991); Jong R. Lee, "Rally Round the Flag: Foreign Policy Events and Presidential Popularity," *Presidential Studies Quarterly* 7: 252-256.

¹⁴⁴ See the Gallup/CNN/U.S.A Today Opinion Polls of measuring President Clinton's approval ratings from January 1997 - January 2001. Available on the World Wide Web at(<http://www.pollingreport.com/clinton-.htm>)

the survival of the U.S. Post-Cold War policy is more focused on preserving the principles of democracy by bringing democratic concepts and ideals to other countries.

When the growth of the democratic community during the Cold War was measured, it was determined that only 70 countries experienced a net democratic gain, whereas 110 countries had no real shift in democratic tendencies throughout the Cold War. Of those 70 that experienced a democratic pick-up, only 14 shifted from the predominantly authoritarian to the democratic end of the spectrum on the Polity IV scale.

In defense of the Cold War policy, it should again be noted that exportation of democracy was not the chief objective. Instead, the U.S. sought only to contain the perceived encroachment of Communism in general and the Soviet Union in particular. Therefore, the majority of aid to countries of strategic importance to the U.S. came in the form of military aid. There were also no caveats to the aid that required an avowal of democratic ideals. The only caveats to the aid were that the recipients stand against Communism.

By contrast, in the "democratic encouragement" era the numbers paint a different picture. During the first ten years after the Cold War there were fifty countries that enjoyed a net democratic gain. Thirty-eight countries that were not democracies that showed no signs of democratic shifting and twenty-seven countries actually experienced democratic retraction. Of those countries that began to transition towards democracy after the Cold War, ten were former Warsaw Pact countries. Their democratization was more attributable to the fall of the Soviet Union than to any policy that the U.S. applied. It is interesting to note that even accounting for those countries that were former Soviet satellites, more countries experienced net democratic gains during the ten years between

the Cold War and the War on Terrorism, than during the entire forty-three years of the Cold War.¹⁴⁵

Such a result is perfectly logical, however, taking into account the very different goals and actions of the policies. The policy of containment was focused on keeping the Soviets at bay. That meant maintaining strong governments, regardless of ideological preferences. The U.S. made powerful friends of authoritarian regimes simply on the premise of "the enemy of my enemy is my friend." In stark contrast, post-Cold War policy held the administration liable for human rights abuses of U.S. allies. That meant that the U.S. had to either pick its friends more carefully, or demonstrate to the U.S. public that steps were being taken to "reform" the government. The number of countries attempting to democratize in the face of the collapse of the Soviet should not be taken as proof positive of a successful foreign policy on the part of the U.S.

The relative success or failure of both policies is fodder for debate and both sides can make positive claims. Though definitive measurements may be difficult to make, given the length of the policy learning cycle, and the length of time it takes to reform a government entrenched in command economics and authoritarian regimes, one can still draw lessons from the current trends and patterns of democratization. The longevity of the policy may speak to its effectiveness in regard to safeguarding the country's national interests, though.

For example, the United States practiced the policy of Containment for more than four decades. During that time, across both Republican and Democratic administrations, the underpinning ideals of the policy did not change, though there were differences in

¹⁴⁵ This accounting of democracies does not consider those countries may have begun its democratic transition, but suffered a set back and subsequently did not complete the regime transformation.

opinion as to how to accomplish the delineated goals. The U.S. had to face down the threat of the Soviet expansion. In contrast, the U.S. is now going through a fundamental shift in its foreign policy that signals a return to the realpolitik of the Cold War. This change comes after only ten years of democratic encouragement.

A Reversion to Cold War Policies?

It is of interest, in light of the attacks of September 11, 2001, to note the significant changes in American foreign policy. In Bush's state of the Union Address following the terrorist attacks on the United States he stated, "Either you are with us, or you are with the terrorists. From this day forward, any nation that continues to harbor or support terrorism will be regarded by the United States as a hostile regime."¹⁴⁶ The message here is very similar to the Cold War policies of decades past. Countries no longer need to be pro-democracy or pro-U.S.; they just need to be anti-terrorist.

This is a clear signal that the U.S. would no longer fashion policy based on an idealistic notion of the way the world should work. Rather the U.S. began its return to the policy predicated upon the way the world actually works. Countries act in their self-interests and that will inherently put some on a collision course with others. In the ten years bridging the Cold War and the September 11, 2001 attacks, the U.S. attempted a paradigm shift in its foreign policy, from realpolitik to a pseudo-idealism, in which a reawakening of Democratic Peace theories seemed to take center stage in foreign policy.

After the attacks, the U.S. was forced to revisit its pseudo-idealistic policy and try to bridge the gap between what the policy should have accomplished and what it did accomplish. Instead of making the world a more democratic and peaceful place, the

policy lulled the U.S. into a false sense of security, believing that because it had beaten back the Soviet Union, it was impervious to attacks by any other foe. With the attacks of September 11, 2001, U.S. vulnerabilities to new foes were brought into stark relief. In response, the U.S. beat a hasty retreat to the comfortable, tried and true policies of the Cold War. Instead of Communism, the enemy is now terrorism.

In fact, in a move very reminiscent of the U.S. during the Cold War, the U.S. began to predicate economic aid on the actions countries take to root out terrorism. Pakistan's aid was withheld until the U.S. extracted a promise, and indeed saw evidence that the government would take steps to prevent Al Qaeda members from crossing their borders. In addition, the U.S. is now withholding funds from Turkey, which refused to let the U.S. use its land as a staging area for its attack on Iraq. Bush has even gone so far as to revisit Eisenhower's Doctrine of Escalating Force.¹⁴⁷ He has stated that should any country use weapons of mass destruction, the U.S. will retaliate with nuclear arms.

While it is not possible to state definitively that the U.S. is reverting to Cold War policies in light of the terrorist attacks, it is interesting to note the startling similarities that are beginning to emerge. The preponderance of military force that can be brought to bear on rogue states is again taking center stage, with the economic "carrots" being dangled in front of countries willing to aid, or at least not hinder the U.S. Again, the U.S. is attaching less merit on the democratic leanings of a government and more attention is

¹⁴⁶ George W. Bush. [online] *Address to a Joint Session of Congress and the American People*. (September 19, 2001) Available from the World Wide Web: (<http://www.whitehouse.gov/news/releases/2001/09/20010920-8.html>)

¹⁴⁷ The Truman administration's strategy on deterrence was to assure the enemy of a swift response that equaled the aggressiveness of the initial attack against the U.S.. The Eisenhower administration, however, shifted this policy somewhat. Under Eisenhower, the policy regarding response to aggression was to maintain uncertainty on the part of the enemy as to the magnitude of the U.S. response. Eisenhower went so far as to discuss the possibility of preemptive war.

being paid to whether governments have the legitimacy and power to control its population and discourage terrorist elements.

The U.S., for all of its rhetoric about supporting democracy and the economic development of the world, has generally acted in its perceived self-interest. Even its foray into the world of democratic enlargement was predicated upon the belief that the more democratic the world, the more unhindered international trade would be, and the more markets the U.S. would have for its products. As a result, the U.S. would be better able to protect its economic interests and the world would be more peaceful. This Kantian notion appears to be proving itself wrong, at least in this late twentieth, early twenty-first century context.

Chapter 5

The Effect of U.S. Aid on Democratic Changes Abroad

In this chapter the relationship between U.S. aid and the adoption of democratic traits is examined. This is done by conducting regression analysis. The dependent variable is the Polity Database rating and the independent variable is the actual aid given to each country for each year in the study, 1946-2001. The period will be separated into the Cold War and Post-Cold War eras in order to compare the effect of each eras policies on the rate of democratic change. Upon completing the regression analysis for each period, it was determined that U.S. aid, either military or economic, has little effect on its recipient. The relationships in both the Cold War and post-Cold War eras were found to be statistically insignificant.

Spindoctors in Washington make an excellent living painting the United States as the standard bearer of democracy. There is truth to the notion that a larger democratic community would be better for the economic well being of the U.S. in particular, and the capitalist world as a whole. The question remains, can any country impose, by fair means or foul, a democracy on another country that does not want a democracy?

The U.S. gives various types of aid to countries that are of strategic importance to U.S. national interests. The aid is cloaked in the rhetoric of democracy: "U.S. foreign assistance has always had the twofold purpose of furthering America's foreign policy interests in expanding democracy and free markets while improving the lives of the

citizens of the developing world.¹⁴⁸ While this language frequently accompanies U.S. acts of aid and humanitarian intervention, there is little evidence of a relationship between U.S. aid and the proliferation of democracy. This chapter serves to examine the actual effect of U.S. aid on democratization in the recipient country.

The hypothesis is that democracy must be a holistic process that can be encouraged by external forces, not caused by them. Extreme cases such as post-World War II Germany and Japan may be noted as exceptions to such a hypothesis, but the circumstances surrounding those cases were abnormal, in that those countries offered an unconditional surrender to the Allies at the end of World War II. In that situation, authorities relinquished their sovereignty to end the war and to begin reconstruction. Such a situation may not occur again. As the world is witnessing with Iraq and Afghanistan, even in countries with a complete lack of coherent leadership, the imposition of any type of governmental structure is much easier said than done. Democracy is more successful when it is grown organically, taking into account the context in which the government must operate.

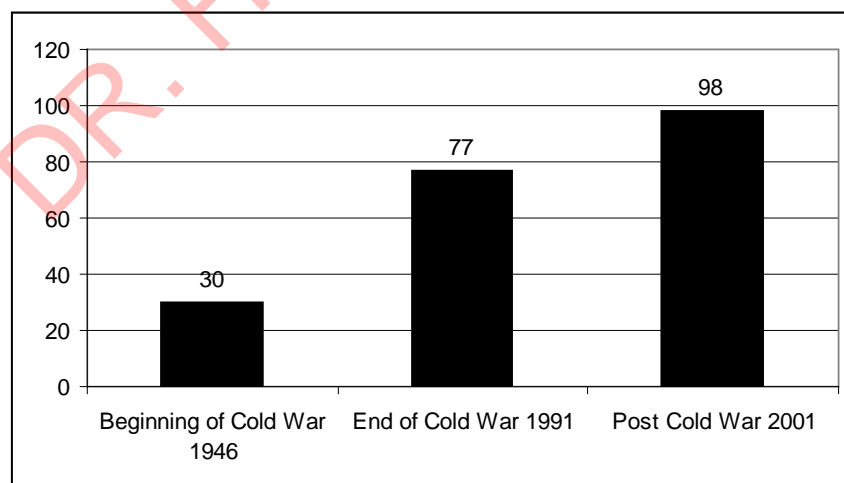


Figure 5.1: Growth of Democracy in the Late Twentieth Century. Source: Polity IV Database

¹⁴⁸ United States Agency for International Development. [online] "About U.S.AID" Available from the World Wide Web: (<http://www.usaid.gov/faqs.html>)

One way to determine the effect of the United States in determining a democratic outcome is to compare the relationship between the amount of aid the United States provided and recipient country's corresponding democratic response. As illustrated in Figure 5.1, we see that a rough correlation exists between the position of the U.S. on the global stage and the extant number of democracies, according to the Cold War and Post-Cold War eras.

To determine the actual relationship between the two variables, American aid and democracy, an examination of the countries that democratized and their corresponding amounts of aid will be conducted. As a comparative measure, an examination of the countries that did not democratize and their relative U.S. aid also will be conducted. From this perspective a contending picture of U.S. influence on international democracy can be established.

Relationship between Military Aid and Democratization

The effect of the military on governmental transitions has been studied extensively. von Hippel,¹⁴⁹ for example has explored the relationship between external military interventions and liberalization of a government, noting as well the anomalies represented by the transformation of Japan and Germany in the post-World War II era. These collapsed states notwithstanding, it is difficult at best to impose a liberal, democratic society without cooperation from the state's citizens and, more importantly, the ruling elite class. Moore's¹⁵⁰ work in this field argued that a bargain must be struck

¹⁴⁹ von Hippel, (2000)

¹⁵⁰ Moore, (1966)

between the ruling classes and the classes that are ruled. In the case of a forced democracy, no bargain has been struck and so the seminal ideal of self-determination has been rendered void. Though these studies do address the outcome of missions intended to bring about regime change, they do not answer the question of the relationship of U.S. aid to the military and the democratic transformation of various states. Between the years of 1946 and 2001, the United States has given over \$165 billion in military aid throughout the world. Table 5.1 illustrates the total amount (in millions) of aid, by region¹⁵¹. We see that the Middle East is clearly the largest recipient of U.S. military aid, followed by Western Europe and then Southeast Asia.

Region	Econ. Aid	Mil. Aid	Total
Africa	31498.6	3809.5	35308.1
Asia	11163.4	1354.9	12518.3
Southeast Asia	22581.9	21262.4	43844.3
Middle East	85334.0	86506.1	171840.1
Latin America	34811.6	5228.1	40039.7
North America	17.5	13.0	30.5
Oceania	38.8	129.9	168.7
Western Europe	28213.2	30147.0	58360.2
Eastern Europe	19091.0	17447.3	36538.3
Total	232750.0	165898.2	398648.2

Table 5.1: Regional Distribution of U.S. Aid from 1946-2001. Source: U.S. Overseas Loans and Grants (Greenbook, 2003)

In order to discern a rough relationship between military aid and democratic scores in each of the periods studied, a contingency table was prepared for the Cold War and post-Cold War Eras. The average amount of military aid given from 1946-2001 was \$24 million.

¹⁵¹ U.S.AID. [online] *U.S. Overseas Loans and Grants and Assistance from International Organizations: Obligations and Loan Authorizations 2003*. Government Printing Office; Washington, D.C Available from the World Wide Web: (<http://www.dec.org/>)

	Democracy	
Military Aid	Above 0	Below 0
Above Average	310	245
Below Average	1643	2924

Table 5.2: Contingency Table Relating Military Aid to Democracy 1946-1991. Sources: Polity IV Database and U.S. Overseas Loans and Grants (Greenbook) 2003

In the Cold War era there were 5,171 total cases, with 49 cases classified as neither democratic nor autocratic.

	Democracy	
Military Aid	Above 0	Below 0
Above Average		
Below Average		

Table 5.3: Contingency Table Relating Military Aid to Democracy 1992-2001. Sources: Polity IV Database and U.S. Overseas Loans and Grants (Greenbook) 2003

In the post-Cold War era there were 1,492 total cases, twelve of which were neither classified as neither democratic nor autocratic. The tables seem to indicate that there is no definitive relationship between military aid and the level of democracy. This may be due to the fact countries more likely to receive military aid are also more likely to be involved in some turmoil that negates any nascent democratic tendencies. For example, countries in the Middle East that receive military aid are also dealing with an unstable geopolitical situation in which military hostilities are a common occurrence. Though not studied here, it may be the case that countries involved in war or conflict are less likely to become democratic under those circumstances than countries that are unencumbered by such concerns.

Another way to measure the effect of military aid is to conduct a regression analysis over both time periods. In this way, the two periods can be compared, not just to determine if the relationship is present, but to compare the relative strength of that relationship. In performing the regression analysis, using Democracy score as the

dependent variable and military aid as the independent variable during the Cold War period, yields the following results:

<i>Regression Statistics</i>				
Multiple R	0.103169309			
R Square	0.010643906			
Adjusted R Square	0.010452504			
Standard Error	7.529580595			
Observations	5171			
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	-1.452423906	0.106181188	-13.67873	7.23555E-42
X Variable 1	0.005771236	0.000773912	7.457229	1.03053E-13

The relationship between military aid and adoption of democratic traits is statistically insignificant. Military aid explains just over 1% (Adjusted R Square) of the variance in democratic score.

If there is no relationship between military aid and democracy, other factors must influence the adoption of democratic traits. Similarly, democracy cannot be the only factor in determining which countries receive aid. France, for example, was a top recipient of military aid, yet early in the Cold War period France actually experienced a retraction in its democratic tendencies. France's score was a 10 in 1946 and by 1958 had dropped to 5. While still categorized as a democracy, this change represents a 25% decline in democratic traits. This experience can be partially explained by France's experiences in World War II during which it was occupied by Germany. World War II and the Marshall Plan can explain the level of aid given to France, despite its change in democratic stance. The goal of the Marshall Plan was to foster reconstruction in the European countries devastated by World War II. Therefore, the award of aid from the U.S. was not necessarily predicated on the ideological stance or occupied status during the war. This is further borne out by the examples of Turkey and Greece, which were

both top recipients of aid, but would establish military regimes in the post-World War II era. On the surface, this would appear to explain the apparent lack of relationship between receiving aid and developing democratic governance.

As one studies the top recipients of aid during the Cold War period, a pattern begins to emerge that has little to do with the growth of democracy. Top recipients of military aid during the Cold War period include the following:

Country	Amount
Israel	31070.6
Egypt	14573.2
Turkey	11059.9
South Korea	8664.3
Greece	8119.9
France	4548.6
Taiwan	4216.0
Spain	3307.3
Pakistan	2905.9
Italy	2545.3
Thailand	2053.8

Table 5.4: Top Recipients of Cold War Military Aid. Source: U.S. Overseas Loans and Grants (Greenbook) 2003.

Among countries listed here, several experienced democratic losses during the Cold War, further demonstrating the lack of correlation between this particular type of aid and democracy.

The same result should be expected when the regression is performed in the post-Cold War era. In fact, when the regression is conducted, the outcome is as follows:

<i>Regression Statistics</i>				
Multiple R	0.049681256			
R Square	0.002468227			
Adjusted R Square	0.001798743			
Standard Error	6.911814613			
Observations	1492			
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	2.493438963	0.180834462	13.78852	8.5272E-41
X Variable 1	0.001691096	0.000880736	1.920093	0.05503683

In this era, the relationship is still insignificant. Less than 1% of the variance in the dependent variable, democracy, is explained by military aid.

Simply put, military aid is more a result of external forces acting on a country, rather than internal ones pushing for democratic change. The U.S. provides aid to its allies when they are threatened, regardless of the effect on democratic traits. For example, Israel's democratic score is as much a reflection of its security posture as it is anything else. A country under constant threat is likely to be less democratic than one that is relatively secure and stable. Military aid, therefore, has little direct impact on democratic governance.

That should not be surprising, however. Military aid is not dispensed with the intention of generating a democratic response. It is doled out to advance the national interests of the United States. The countries receiving the most military aid throughout the Cold War period correspond with the strategic security focus of the U.S.

These relationships, or lack thereof, indicate two things, primarily. The first is that there is no democratic prerequisite for military aid. While this is not surprising to students of U.S., it does little to advance the image of the U.S. as the progenitor of democracy on a global scale. The U.S. doles out military aid based on its strategic interests, not as a result of a crusading need to aid democracy at large.

The other important point is that the recipient's regime does not necessarily experience democratic change. Indeed, military aid more often is correlated with a decrease in democratic governance. This is not to say that the military aid acts to decrease liberal government, rather that it is usually given when a country is vulnerable to other factors, such as external military threat, and the aid may not be sufficient to

mitigate them. In short, U.S. military aid is not predicated upon, nor does it result in, democratic tendencies of the recipient.

Intuitively, a pattern of democracy following military aid should not be expected. Military aid follows the national security interests of the country. While it may be politic to say that the best way to secure the national interest is with the creation of a large community of democracies as Kant¹⁵² and his adherents would argue, U.S. foreign policy seemed to be in line with the Realist school of thought, that the state is a rational actor and that state security must always be the government's top priority.¹⁵³ This being the case, the United States identified countries necessary for its strategic defense, and so helped those countries become, or remain, strong enough to serve as a proxy in the game of U.S. foreign policy.

The Relationship between Economic Aid and Democratic Change

Having established the lack of impact that military aid has on democracy, the next question to answer is whether or not economic aid has any effect on democratic change. The hypothesis is that, despite policy statements to the contrary, democracy is not effected by economic aid, at least not directly. The rationale behind this hypothesis is that, economic aid, like military aid, is dispersed with an eye toward shoring up U.S. national interests, with any effect on democracy being tangential. A rough relationship may be determined through the use of contingency tables. The average amount of economic aid given from 1946-2001 was \$33 million per year.

	Democracy	
	Above 0	Below 0
Economic Aid		
Above Average	417	435
Below Average	1536	2734

Table 5.5:Contingency Table Relating Economic Aid to Democracy 1946-1991. Source: Polity IV Database and U.S. Overseas Loans and Grants (Greenbook) 2003

Again, in the Cold War era, there is a sample of 5171 cases with 49 cases being defined as neither democratic nor autocratic.

	Democracy	
	Above 0	Below 0
Economic Aid		
Above Average	247	114
Below Average	670	449

Table 5.6: Contingency Table Relating Economic Aid to Democracy 1992-2001. Sources: Polity IV Database and U.S. Overseas Loans and Grants (Greenbook) 2003

There were a total of 1492 post-Cold War cases, twelve of which were not included in the table because they were not clearly classified as democratic or autocratic. The contingency tables seem to belie a relationship between economic aid and democracy. The regression analysis also bears this out. A regression analysis of the Cold War data generates the following results:

<i>Regression Statistics</i>				
Multiple R	0.107558679			
R Square	0.011568869			
Adjusted R Square	0.011377647			
Standard Error	7.526060015			
Observations	5171			

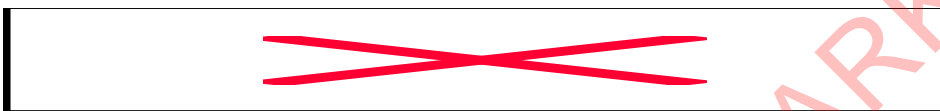
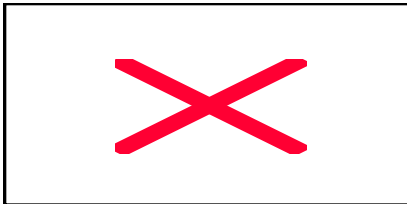
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	-1.526161199	0.10793185	-14.14004	1.44413E-44
X Variable 1	0.006651711	0.000855181	7.778136	8.82427E-15

During this period, only 1.1% of the variance in democracy can be explained by infusions of U.S. economic aid. There are a number of factors that may explain this phenomenon. For example, in the immediate Post-World War II period the Marshall Plan,¹⁵⁴ a massive cooperative effort on the part of European countries to rebuild their economic infrastructure with the assistance of the U.S., was pouring economic aid into Europe. At

¹⁵⁴ The Marshall Foundation. [online] "The Marshall Plan Summary". (2003) The Marshall Foundation. Available from the World Wide Web: (<http://www.marshallfoundation.org>)

the same time, former Axis regimes, Japan and Italy for example, were undergoing dramatic regime changes as a result of their surrender to the Allies.

A regression of the post-Cold War era, results in the following:



In this era, the regression analysis reveals that less than 1%, in fact only .15%, of the variance in democracy is explained by U.S. economic aid. Rather than being counterintuitive though, the lack of relationship may indicate that the U.S. is concentrating its aid efforts on countries that most need it, giving to countries that demonstrate very few democratic traits.

There are no countries receiving greater amounts of military as opposed to economic aid. This is a significant occurrence for two reasons in particular. First, the change of U.S. policy on military aid is indicative of the policy learning process taking effect. Over the previous forty years, the effect of military aid on bringing about democratic, or even pro-U.S. sentiment, has been negligible at best. Johnson¹⁵⁵ found that recipients of U.S. foreign aid voted against the U.S. in the United Nations more often than not. Further, according to the annual study by the Heritage Foundation, votes against the U.S. by its top aid recipients have been increasing year by year. If any lesson

¹⁵⁵ Bryan T. Johnson. "U.S. Foreign Aid and United Nations Voting Records," *Backgrounder #1186* (June 12, 1998)

has been learned it appears to have been that military aid does not produce democratic momentum.

The other reason that this pattern is significant is that it reflects the changing situation in the global arena. During the Cold War, the case for military aid was easier to make than in the post-Cold War era. While most of the world was struggling to recover from World War II, Europe was thrust into an extremely defensive Cold War posture. East Asia was the focus of both the Communist and democratic forces. The Middle East was struggling with the forcible addition of a new state; Israel. In the post-Cold War period, however, rather than being afflicted with widespread conflict, the world was seeing many more regionalized conflicts such the ones in Panama, the former Yugoslavia, Somalia and Haiti. These smaller conflicts minimized the need for large-scale assistance.

The relationship between economic aid and democratic gain leads one to question what other relationships effect a country's journey towards democracy. According to the literature there are a number of factors that can contribute to the liberalization of the state. One is relative wealth. Olson,¹⁵⁶ for example, notes that capital seeks out stable, democratic countries. That still leaves the question of the direction of the relationship. Are countries more democratic because they have excess capital or is the reverse the case?

Carothers¹⁵⁷ answers this question by addressing the rationale behind economic aid to struggling non-democratic countries: that the economic aid is expected to result in economic development which will bring about democratic transitions. The relationships

¹⁵⁶ Olson, (2000), 99

¹⁵⁷ Carothers, (1999)

unveiled by the regression analysis, however, should not be taken to indicate a complete failure of U.S. economic aid. One must also consider intervening variables as reasons for the apparent ineffectiveness of the U.S. aid. For example, in looking at the countries among the top recipients of aid yet show no positive democratic change, one common thread emerges. All were involved in some sort of military turmoil, in the form of external threats or internal struggles. Israel, for instance, is in a constant struggle with its neighbors over territorial claims and ideological/religious differences. Given this, the percent of GDP spent on the military may be correlated with the lack of democratic progress. Other development indicators, such as literacy rates and international trade, also may have a greater impact on GDP, and subsequently democracy, than the influx of funds from the U.S.

In looking at these indicators, it may be possible to determine which one has the greatest impact. Examining the countries in the tables above for things such as improved education of the population or increase in international trade may give some social and economic insights into the transition to democracy. Trade also can be correlated to the amount of U.S. economic aid in general to determine if the U.S. does have an impact on that outcome. Education also may be correlated to economic aid from the U.S. as this category of aid covers not only economic development needs in the target country, but applies to social needs.

The regression analysis provides an interesting picture of the effect, or lack thereof, that economic aid has on democratic growth. The countries that experienced the most democratic change were among the countries that received the least amount of economic aid from the United States. In fairness, however, it also should be noted that

many of these countries made great strides in their democratic postures after the fall of the Soviet Union and its satellites in Eastern Europe. Their democratic changes can apparently be attributed more to the failure of the Soviet Union than to the success of American economic aid.

Carothers¹⁵⁸ writes of the difficulty in evaluating the success or failure of democracy aid abroad. He states that the democracy programs are difficult to evaluate largely due to the indirect causal link between the two variables. He further states that many programs lack defined goals and objectives thereby making program evaluations of little value.

The prevailing idea behind democratic aid is that it creates an environment of sustainable development in which substantive change can be made to the economic structure of the country. This in turn leads to other changes that eventually will lead to democratic development. Yet, the patterns reported here indicate something else at work.

Democracy as an Evolution

The relationship between economic growth, military growth, education and democracy come together to create an interesting theory of democracy as an internal evolution. The patterns that emerge over the course of the Cold War , as well as the relationships between military aid and democratic growth between 1946-2000 point to a pattern of internal democratic evolution similar to that of Maslow's Hierarchy of Needs.¹⁵⁹ Maslow argued that people are motivated by unsatisfied needs and that lower level ones must be satisfied before the higher level needs can be addressed.

Maslow's original five-level hierarchy consists of the following levels:

¹⁵⁸ Carothers, (1999)

¹⁵⁹ Abraham Maslow. *Motivation and Personality 2nd edition*. (New York, NY: Harper & Row, 1970)

1. **Physiological needs**- finding sustenance needed to survive, i.e. food, water, and air.
2. **Safety needs**-shelter, social pacts.
3. **Love**-acceptance by others
4. **Esteem**-acceptance by self
5. **Self-actualization**

Just as individuals must move through the hierarchy to reach their full potential, states must also move through several steps in order to achieve democracy. The levels of democratic evolution are similar in many ways. Unlike Modernization Theory, which postulates that states must move through several particular steps in a specific order, democratic evolution theory, developed here, argues that states must meet several needs that are specific to the context in which the state exists. The following diagram depicts

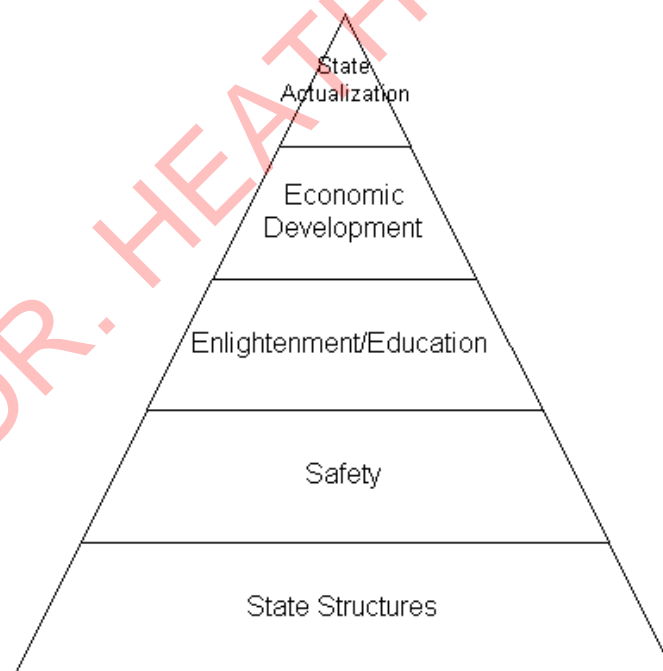


Figure 5.2: Progression of State Development based on Maslow's 5-Level Hierarchy of Needs

the suggested hierarchy of democratic needs.

State Structures

The first level is obviously the creation of the state and establishing the structures to enforce the rules of a legitimate governing body, regardless of its position on the political spectrum. Held identifies a state by six distinct characteristics: 1) the convergence of territorial boundaries with the enforcement of rule; 2) systems through which to create and enforce laws; 3) a centralized administration; 4) the "alteration and extension of fiscal management;" 5) formalized relations between other states; and 6) a standing army.¹⁶⁰

The first three characteristics relate to the maintenance of domestic order. The government must establish legitimate rule over a set territory, and be able to administer the region effectively while maintaining a fiscal structure that can support the needs of both the state structure and the necessary public goods. The state also must be recognized by its citizens as having the right to make and enforce laws.

The last two characteristics relate to the interaction of the state with the international community. In order for a state to survive, the international community must recognize that state's sovereignty. Without that recognition, the state will remain in a constant state of turmoil, defending itself against outside pressures, forced annexation and territorial disputes.

In addition to recognition from the international community, Held¹⁶¹ argues that a state must have a standing army. Failing the presence of the standing army, a country must make some provision for national defense. Without it, there is no way to project

¹⁶⁰ Held, (1995), 36

¹⁶¹ Held, (1995)

force or interests abroad. Nor is there any way to defend against states that do not recognize its sovereignty. The army also provides legitimacy to the actions taken by the state in furtherance of its interests. Take the hypothetical example of a displaced group, a government in exile, perhaps, and that of its enemy which has both boundaries and a government. Both have state structures and territorial claims. The difference lies in the state maintenance of a standing army and international recognition. The recognized state may strike militarily at the displaced group without fear of bringing international censure. The displaced group, however, has no such standing, organized army. Instead, they use terrorism to give voice to their interests. The world at large would likely condemn the group for their acts of terrorism; yet if they had a standing army and international recognition, it would be acknowledged that these countries were at war.

Safety of the State

State structures lead directly into the second stage in the evolution of a state to a democracy, or at least to a liberal government, namely state security. The state must secure its position in the region and negate, or at least mitigate, immediate threats to its safety.

During this stage the state is strengthening its military position and likely creating security alliances. The standing army that was created during the first stage is now called upon to demonstrate the ability to project force on a regional basis. It also is imperative to show that it can come to the aid of allies, if the need arises. This stage also may include the deployment of diplomatic attachés to improve relations with states that pose potential threats.

In addition to guarding against external threats, the state must be concerned with rooting out potential domestic threats. Police structures, then, are very important in this stage. Too much dissension can be dangerous to a state at this stage of development. Any number of states in sub-Saharan Africa provide ample evidence of the danger inherent here, as those states, such as Liberia and Rwanda, swing wildly between extreme police states and almost complete anarchy. This constant uncertainty and instability can cause any democratic intentions that may exist to get discarded in the face of the more immediate threat to the existence of the state.

This pattern is demonstrated by the relationships between military aid and democracy. Democracy is not an end result of any military build-up, rather the opposite often results. States receiving large amounts of military aid often experienced a decrease in democratic tendencies. As was demonstrated earlier, states that experience geopolitical instability are often less democratic than those that are secure in this resolve. This phenomenon occurs because governments must tighten their authority to ensure that external negative influences are not infiltrating their state. This is accomplished by restricting movement across borders, associations, and speech. In this way states can ensure that external threats do not become internal threats. Once the surrounding environment has become secure, the state may loosen those restrictions and begin to evolve beyond basic survival.

The "Enlightenment" or "Education" Stage

This level can be called "enlightenment" or "education," a point in the development of the state wherein the governing body recognizes the need to provide

some public goods such as healthcare and education. Lakoff¹⁶² discusses two immediate ways in which the provision of public goods, and education in particular, assist the cause of democracy. The first is that the government can alleviate some of the pressures of poverty thereby freeing its people from severe class hatreds and allowing them to create associations that transcend class and are built around other interests. The Green Party, for example, is an association built around concern for the environment rather than economic interests or class concerns.

The second way in which the provision of public goods can help is in the provision of civic education, one in which citizens learn what it means to be a citizen of the state. The constituents learn what their rights and responsibilities are under their government and they come to see that the government is there for more than just the enforcement of laws. It paints the picture of the government as provider rather than just a ruler. By providing not just civic education, but education in general the state allows its citizens to prepare themselves to continue their education independently. Through this process government participation and recruitment are widened which continues the cycle of provision and education. When this occurs citizens move beyond the level of functional literacy to create an intellectual elite, or at least, begin ideological and political dialogues. This stage is generally concurrent with the next stage described, that of economic development.

Economic Development

Economic development and "enlightenment" enjoy a symbiotic relationship, one that is cyclical in nature, with increased education leading to increased economic growth,

¹⁶² Sanford Lakoff. *Democracy: History, Theory, Practice*. (Boulder, CO: Westview Press, 1996), 291

which leads to greater increases in education. Porter puts it succinctly when he says, "education and training constitute perhaps the single greatest long-term leverage point available to all levels of government in upgrading industry."¹⁶³ He further emphasizes that the government must be careful not to discourage private sector investment in training and education, as well, as this is the best way to encourage economic development without necessarily increasing government spending in that sector.

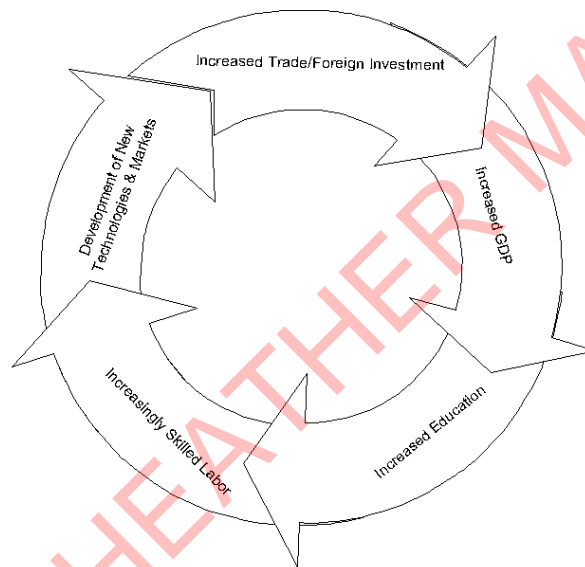


Figure 5.3: Cycle of Economic Growth and Increased Education

Economic development is important both for its own sake and for democracy's. Castles argues that "the same forces of industrialization ...that create new needs and problems simultaneously" leads to pressures for the creation of a competitive party system and the "institutionalization of political democracy."¹⁶⁴ These dynamics lead in turn to the last stage in the process of democratization.

¹⁶³ Michael E Porter. *The Competitive Advantage of Nations*. (New York, NY: The Free Press, 1990), 628

¹⁶⁴ Francis G. Castles. *Comparative Public Policy: Patterns of Post-War Transformation*. (Northampton, MA: Edward Elgar, 1998), 60.

Actualization

The termination of this process does not necessarily culminate in U.S. style democracy. It is at this point that a state grows into the government that best fits its context. The actualization stage is the point when the government is secure in its internal security and regional position and has evolved to meet its unique challenges. The actualization stage has several characteristics. Among them are

- 1) **Stable government mechanisms**-this is indicated by a government that continues to function appropriately regardless of the ruling party.
- 2) **Smooth transitions of power**-during transition it is imperative that power is transferred smoothly and completely, without strife.
- 3) **Ongoing provision of public goods**-this is indicative of a government that values its citizens and recognizes the need to sustain a minimum standard of living.
- 4) **Dialogue among civil associations and government**- regardless of government type, it is important for the government to provide a legitimate voice to the groups in the state.
- 5) **High level involvement in international affairs**-a state cannot be actualized and isolated at the same time. As international affairs will inevitably impact the state, the state should have some ability to impact international affairs.

Having said that, it is important to realize that the form of democracy that is eventually developed may not resemble the democracies that currently exist. The form of government that develops must ultimately be relevant and appropriate to the context in which that government functions.

The process is not linear in nature. Many states may not progress past the first stage or two. Others may cycle back and forth between stages without ever reaching

actualization. This corresponds to the reverse waves described by Huntington. This latter process highlights the reason that outside forces cannot impose democracy on a country. The country must have sufficient internal impetus to democratize, otherwise attempting to create a democracy where one does not exist is futile. U.S. economic and military assistance may help a country shift from one stage to another, or prevent it from backsliding to a previous stage, but it cannot create a democracy without significant internal support for such a transition and a commitment by both the governing and the governed.

Summary

Though the United States tends to wrap its foreign aid in the rhetoric of democracy, there appears to be little relation between U.S. aid and the proliferation of democracy. Not surprisingly, the relationship between military aid and democratic traits appears to be negative, if it exists at all. This is because the military aid is not disbursed with the goal of creating democratic governance. Military aid is granted based on a country's strategic importance to the national interests of the United States. The top recipients of military aid typically are countries in the Middle East, countries least likely to demonstrate any signs of liberalization. This pattern reflects the strategic importance of the region to U.S. interests.

Similarly, the economic aid doled out by the U.S. also has seemingly little effect on the liberalization of regimes. The top recipients were those countries that were of some strategic importance to the U.S., rather than those that demonstrated some tendency towards democratic governance. While it is somewhat more difficult to trace the relationship between economic aid and an increase in democratic traits, the initial conclusions are that, while economic growth is generally followed by some liberalization

of the government, there is not sufficient evidence to link economic aid to economic growth and hence, indirectly, to increased democratic governance.

In essence, U.S. military and economic aid is used more as a means to secure U.S. national interests than it is to bring about a proliferation of democratic governments. There is little, at this point, to suggest that the U.S. can create democracies through the use of economic or military aid. Moreover, not only is it questionable as to the positive effect on the spread of democracy, U.S. policy has had little effect on increasing pro-American sentiment, as is evidenced by UN voting records of the top recipients of U.S. aid.¹⁶⁵

¹⁶⁵ Johnson, (1997)

DR. HEATHER MARK

Chapter 6

Effectiveness of U.S. Policy at Creating Democracies

The leaders of the U.S., regardless of party, are frequently heard to say that the U.S. regularly gives financial aid to struggling countries to support their economic development. The U.S. gives more in real dollars to foreign aid compared to other industrialized countries. The questions now are where does it go and how effective is it in assisting economic development?

The U.S. Government recently surveyed its agencies to determine the extent of its initiatives in promoting economic growth. The study lists three priorities in creating what the U.S. calls "sustainable development." Those priorities are "economic growth to provide resources, investment in people, particularly in ...education and health; and good environmental stewardship."¹⁶⁶ Focusing for the time being on the economic portion of the report the following are listed as initiatives taken by the U.S. in support of "sustainable" economic development:

¹⁶⁶ U.S. Department of State. [online] *Working for a Sustainable World: U.S. Government Initiatives to Promote Sustainable Development*, August, 2002. Available at the World Wide Web at (http://www.dec.org/pdf_docs/pnacq001.pdf) This report focused on the initiatives of 23 agencies and their 400 initiatives. As the report is commissioned and written by the U.S. government, one must be wary in accepting the conclusion at face value, but the data itself can be quite useful.

1. Increase in core development by \$5 billion through the Millennium Challenge Account¹⁶⁷
2. Global Development Alliance
3. Funding for the fight against HIV/AIDS in Africa and the Caribbean
4. Funding of \$200 million over five years for the basic education in Africa
5. Commitment to increase the number of Peace Corps Volunteers
6. Invested \$1.5 billion in "trade capacity building"

These initiatives can be addressed one on one to more fully explain what the goals and timelines are for each.

The first initiative is the "Millennium Challenge Account." President Bush suggested this as a way in which the U.S. could reward those countries that met certain guidelines for "governing justly." The requirements for "governing justly" are democratic institutions, an independent judiciary, sound monetary and fiscal policies, and universal participation. The process for awarding funding from the Millennium Challenge Account is very straightforward. Countries are assessed on their potential for growth and their commitment to "governing justly." Funds will be distributed to certain programs, which are overseen by organizations from the U.S. and the recipient country. The needs of the country are prioritized and programs are created or customized to fill those needs. The U.S. will monitor the progress of the recipient country to determine whether or not

¹⁶⁷ In the original proposal for the Millennium Challenge Account, President Bush suggested setting aside \$5 billion for the account. He later revised the number to \$10 billion.

the aid was effective and if the country should continue to receive assistance from the U.S.¹⁶⁸

The idea of the Millennium Challenge Account (MCA) is reasonable. Its underlying principles and objectives are beneficent. The actual application of the policy, however, leaves much to be desired. The premise of the MCA hearkens back to the Modernization Theory, the idea that there is only one path to economic freedom and democracy and that path can only be found through contact with the developed, democratic world. There are also paradoxical aspects to this policy that defy explanation. Most notably is the requirement that in order to get aid that will ultimately lead a country to economic and democratic well being, the country must already govern justly. The MCA also requires sound economic policy. The MCA is written with the underlying belief that in order to have a just government, economic stability must be present. This is not generally the case, thus the need for the economic aid in the first place. Yet conversely, the U.S. is saying that in order to get the economic aid necessary to lead a country to democracy, it must already be "governing justly." Further, if a country had a sound economic policy, the need for aid would be far less than the MCA presumes and the willingness to accept outside "advisors" would surely diminish.

Additional cause to question the policy lies in the standards that countries must meet in order to be considered for assistance. The U.S. puts forth no objective standard for a country to meet as a prerequisite for aid. The MCA requires that participating governments have a "fair and independent judiciary" and "participation of civil society." Measurement for these standards is left undefined, which allows the U.S. to more closely

¹⁶⁸ United States Agency for International Development. [online] "Millennium Challenge Account Fact Sheet Update, June, 2002". Available from the World Wide Web at

control those countries that are given aid under the MCA. For example, a country cannot simply say that they meet the standards, and as such is entitled to funds and other forms of aid. By leaving the standards largely subjective, the U.S. can implement a shifting standard to determine which countries qualify.

In a manner similar to the MCA, the Global Development Alliance (GDA) seeks to stimulate economic growth through the synergistic efforts of private and public sector entities. The U.S. Department of State has taken this concept on much as it would a new business model. The GDA recognizes the roles of a variety of actors in the development process of a country. Under the auspices of the GDA, the United States Agency for International Development (U.S.AID) will act as the "principle funder, implementers of development assistance will evolve to include also being a leader, facilitator and integrator for such activities."¹⁶⁹ Unlike the MCA though, the GDA will serve as the funnel through which aid will flow, but it may not originate from the U.S. government. GDA will coordinate and manage the development assistance. An office in the U.S.AID will coordinate partnerships between private sector investors, non-governmental organizations and developing countries. U.S.AID's role in the alliances is three-fold and defined by the organization as: "(1) outreach to prospective and current strategic partners; (2) in-house outreach and education, and (3) helping identify the need for Agency policies and standards to avoid ill-conceived alliances and partnerships, and to assure fairness and transparency in forming alliances."¹⁷⁰ The goal of the GDA is to lessen and

(http://www.usaid.gov/press/releases/2002/fs_mca.html)

¹⁶⁹ United States Agency for International Development. [online] "Global Development Alliance: Conceptual Framework, September, 2002" Available from the World Wide Web at (http://www.usaid.gov/gda/gda_framework.html)

¹⁷⁰ United States Agency for International Development. [online] "Global Development Alliance: Conceptual Framework, September 2002" Available from the World Wide Web at (http://www.usaid.gov/gda/gda_framework.html)

eventually remove U.S. involvement and leave private sector investment, NGO activity, and a functioning democratic government in its place.

The U.S. Department of State is very explicit in its beliefs about economic development. At the World Summit for Sustainable Development, Under Secretary of State for Global Affairs Paula Dobriansky stated, "We believe sustainable development begins at home and is supported by effective domestic policies, and international partnerships. Self-governing people prepared to participate in an open world marketplace are the very foundation of sustainable development."¹⁷¹ Sustainable development, according to the State Department is the result of open economies and societies, strong public services and healthy environments. Here, the U.S. is advocating the idea that ultimately, the well being of a country is the responsibility of the state and the state must decide how best to achieve development.

Region	FY1999	FY2000	FY2001	FY2002
Middle East and North Africa	21.1	110.4	118.3	147.1
Asia	48.5	69.7	114.3	109.9
Sub-Saharan Africa	80.8	94.7	64.1	105.5
Former Soviet Republics	97.4	84	97.6	72.1
Central and Eastern Europe	56.6	29.4	38.9	63.4
Latin America and the Caribbean	52.4	65	61.6	90.8

Table 6.1: U.S. Support for Building Trade Capacity by Geographical Region for FY1999-2002 (In millions of U.S.D). Source: United States Agency for International Development

In that respect, a country must be able to demonstrate trade capacity. Trade capacity is defined as "help[ing] developing countries and emerging markets begin the process of integrating themselves into the world trading system."¹⁷² The U.S. has earmarked \$1.5 billion for building greater trading capacity in developing countries. Trade capacity building can encompass a variety of areas, including trade facilitation,

¹⁷¹ U.S. Department of State. [online] "Vision Statement for the World Summit on Sustainable Development." Available from the World Wide Web at (<http://www.state.gov>) (May, 2002)

physical and economic infrastructure, competition policy, governance and interagency coordination.¹⁷³

The U.S. is also beginning to concentrate its aid efforts in the area of health and nutrition. A healthy workforce is likely to create higher productivity and profitability. Moreover, the healthier a country's population is, the less the government has to spend in the treatment and support of those afflicted. The most prominent healthcare issue is the fight against the spread of HIV/AIDS. At first glance, the relationship between the global fight against AIDS and fight for economic development may seem spurious, at best. AIDS has a devastating effect on local and national economies. Labor supply and productivity suffer directly from increased rates of AIDS infection.¹⁷⁴ The group that is most often affected is the group that is most economically active, the 18-40 group. Without addressing that issue, no developing country can hope to make any economic progress.

According to Robalino, Jenkins and Maroufi¹⁷⁵ the continued increase of HIV/AIDS in the Middle East and Africa (MENA) will have a direct, negative effect on the gross domestic product of the impacted countries. This is especially true since the age group that is generally affected is the 18-40 group, which accounts for the most economic activity within a country. Robalino, Jenkins and Maroufi further discuss the devastating impact of delayed intervention in MENA countries. The paper addresses

¹⁷² United States Trade Representatives. [online] "Mission" Available on the World Wide Web at (<http://www.ustr.gov/new/tcb.htm>)

¹⁷³ United States Agency for International Development. [online] *Trade Capacity Building Database Summary Statistics*. Available on the World Wide Web at (<http://gesdb.cdie.org/tcb/overview.htm>)

¹⁷⁴ United States Agency for International Development. [online] "How Does HIV/AIDS Affect African Businesses?" Available on the World Wide Web at (<http://www.usaid.gov>)

¹⁷⁵ David Robalino, Carol Jenkins, and Karim El Maroufi. [online] "Risk and Macroeconomic Impacts of HIV/AIDS in Africa and the Middle East: Why Waiting to Intervene Can be Costly." World Bank Policy

macroeconomic impacts of the AIDS epidemic among the poor; most notably that the death of a family member severely impacts the household's ability to purchase items needed for basic sustenance. The poor depend on their labor as their primary source of income and the loss of a family member to AIDS results in severe shortages.¹⁷⁶

The U.S. actions on AIDS/HIV tend to be on a more strategic level than the tactical actions suggested by the aforementioned paper. Jenkins, et al suggest a strategy of direct intervention to slow the spread of AIDS through the increased use of condoms and the availability of clean needles for intravenous drug users. The U.S. largely funds research and education based initiatives. For example, the largest U.S. expenditure in the international AIDS arena is a \$2.5 billion investment from the HHS National Institute of Health. The money will go to research on "vaccines and microbicides; biomedical and behavioral prevention strategies, including prevention of mother-to-child transmission; and care and treatment approaches."¹⁷⁷ In 2001, Bush also pledged \$500 million to the International Mother and Child HIV Prevention Initiative.

U.S.AID has budgeted \$510 million for FY2002 to fighting HIV/AIDS in developing countries. The majority of that aid is funneled through local non-governmental organizations.¹⁷⁸ Most of the money goes to detection, counseling, and treatment of the disease. U.S.AID does also advocate the increased distribution of condoms and developing methods for preventing the transmission of HIV/AIDS.

Research Working Paper. (August 2002) Available on the World Wide Web at (<http://econ.worldbank.org/view.php?id=16774>)

¹⁷⁶ Robalino, Jenkins, and Maroufi (2002)

¹⁷⁷ U.S. Department of State. (August, 2002)

¹⁷⁸ United States Agency for International Development[online] *U.S.AID Combating HIV/AIDS: A Record of Accomplishment* Available on the World Wide Web at (http://www.usaid.gov/pop_health/aids/News/recordfactsheet.html) (2001)

In addition to educating people about the dangers of AIDS, the U.S. purports a dedication to the overall general education of people everywhere. The overarching policy belief is that more education will lead to greater technological advancements and thereby more economic development and greater participation in the world market. In essence, without education, economic development is difficult at best. According to Ozturk,¹⁷⁹ education is a fundamental pillar in a country's economic development. According to Ozturk's study, it is the quality and distribution of education that can impact a country's development; "No economic development is possible without good education. A balanced education system promotes not only economic development, but productivity, and generates individual income per capita."

The truth to that sentiment is reflected in the data from the Global Education Database that is maintained by the Center for Human Capacity Development. Across countries, there is a general correlation between the literacy rate of the adult population and the rate of GNP growth. Those countries that have a higher rate of adult literacy tend to experience greater growth of GNP.

Demonstrating an apparent agreement with Ozturk, the U.S. has pledged \$200 million to the African Education Initiative. Additionally, U.S.AID has continually increased its budget for education based aid over the last two administrations to \$357 million in FY2001. The U.S. government is focused on the training of teachers in lesser developed countries and the involvement of the community in decisions regarding education. There is also focus in equity in education and creating opportunities for girls

¹⁷⁹ Ozturk, Ilhan. "The Role of Education in Economic Development: A Theoretical Perspective," *Journal of Rural Development and Administration*, Volume XXXIII, No. 1. (Winter, 2001). Pakistan Academy for Rural Development.

to go to school. The U.S. is spending additional aid on workforce training and higher education.

Region	% of US Aid
Middle East	54.1%
Africa	13.3%
Latin American	7.4%
South/Southeast Asia	7.0%
Eastern Europe	17.7%
Western Europe	0.1%

Table 6.2: Pattern of U.S. Aid Distribution by Region. Source: Overseas Loans and Grants (Greenbook, 2003)

U.S.AID gives aid to countries in such a way as to preserve the sovereignty of the state, while encouraging economic liberalization. The World Bank reports that almost one third of U.S. foreign aid in 2002 went to either Israel or Egypt in particular and fifty-four percent to the Middle East.¹⁸⁰

Under the current budget, the U.S. gives about \$15 billion, or less than one percent of its total budget, to foreign aid. It is striking to note that most of the economic and military aid went to countries that have little hope of becoming democratic or are already democratic. These actions are in contrast to the U.S. supposed support of countries struggling to democratize. Rather, aid seems to go first to countries that have a particular strategic importance to the U.S. Given the loggerheads at which Egypt and the U.S. often find themselves, it seems contradictory that the U.S. would send such a large proportion of its foreign aid budget to Egypt.

U.S.A.I.D. lists creating free and open markets among its prerequisites for establishing democratic governance. Its approach to the economic development of L.D.C.s is five-pronged. "Policy reform activities are active in five functional areas:

economic policy, privatization, general business, trade and investment, legal and institutional reform, and the financial sector.”¹⁸¹ U.S.AID is a proponent of the theory that economic reform leads to greater political stability. According to U.S.AID, the U.S. prioritized its assistance by giving aid that is earmarked to specific functional areas of governance.¹⁸²

Category of Assistance	Amount of Aid (millions of USD)
Economic Growth and Agricultural Development	\$3,018
Humanitarian Assistance	\$1,230
Population, Health and Nutrition	\$1,224
Environment	\$633
Democracy and Governance	\$587
Human Capacity Development	\$231

Table 6.3: Categories of U.S.AID Assistance. Source: United States Agency for International Development report Broadbased Economic Growth

U.S.AID has spent most of its efforts on the economic growth of the transitioning countries. In establishing stable democracies U.S.AID focuses on the following areas of concentration:

- 1) Private Sector Development
- 2) Trade Development
- 3) Privatization
- 4) Fiscal Reform
- 5) Financial Sector Reform
- 6) Agricultural Development
- 7) Microenterprise

Notably, each of the areas is primarily concerned with policy reform and infrastructure. At first glance this seems to fall right in line with the notion of liberalizing government. By encouraging economic growth through liberal market

¹⁸⁰ World Bank. [online] *World Bank Development Report 2002*. Available on the World Wide Web at (<http://www.worldbank.org/poverty/wdrpoverty/report/index.htm>)

¹⁸¹ United States Agency for International Development. [online] *Broad Based Economic Growth*. Available on the World Wide Web at (http://www.usaid.gov/economic_growth/)

¹⁸² United States Agency for International Development. [online] *U.S.AID Budget Requests 2001*. Available on the World Wide Web at (<http://www.usaid.gov/budget/>)

reforms, it would seem that political and social liberalization would be easier to accomplish a little further down the road. Additionally, it would seem that economic liberalization through government policy would be more likely to result in a more equitable income distribution and, thereby, a socio-economic class structure that could break the hold of the elite on the government.

By combining several existing datasets, one can complete a cursory examination of the correlation between the amount of per capita aid a country receives and the level of democracy in that country. In this case three sets of data were combined in order to do an analysis of the correlation between aid, income distribution and democracy. Those datasets were the Polity IV Dataset by Marshall, Jaggers and Gurr.¹⁸³ This dataset provided a baseline democracy score. Secondly, the democracy scores were compared with the relative amount of foreign aid a country was given. The amount of aid was found through the International Bank for Reconstruction and Development. Lastly, income distribution information was gained from Dollar and Kraay's *Growth is Good for the Poor* Study.¹⁸⁴

According to the resulting analysis, the amount of aid that is received by a country has very little effect on the overall level of democracy within the country. Of the 227 recipients of foreign aid since 1997, 107 of them have recorded either no change or negative change in their respective levels of democracy. On the surface, this seems to indicate that aid has little discernable impact on democracy. Neither has there been a

¹⁸³ Marshall, Jaggers and Gurr, (2003)

¹⁸⁴ David Dollar and Aart Kraay [online] *Growth is Good for the Poor*. Development Research Group, The World Bank. Available on the World Wide Web at (<http://www.worldbank.org/research/growth>) (March 2001)

dramatic change in the disbursement of income among the poorest quintile of the populations receiving aid.

Financial assistance is but one aspect of the total of economic aid that can be given. As stated earlier, the U.S. has invested heavily in trade capacity building. Almost \$1.5 billion has been earmarked for assisting developing countries build infrastructure to support greater trade capacity.

A notable similarity in all of the scenarios for economic aid, is the involvement of the Peace Corps. The U.S. organization, created by Kennedy in 1961, is currently active in 70 countries. The Peace Corps is a federal agency that was designated to "promote world peace and friendship...to help...in meeting the basic needs of those living in the poorest areas of such countries, and to help promote a better understanding of the American people..."¹⁸⁵ The Peace Corps has enjoyed bipartisan support in the U.S. Congress almost since its inception.

Since 1970, the Peace Corps has had seventy countries of focus. By looking at those countries and their net gain or loss in the Polity IV democracy score over the thirty years from 1970 to 2000, one sees that almost 20% of those countries saw no change or a net loss in democratic characteristics through the decades. Of the 80% that did see change, however, 24% of them were former Soviet Republics. The Peace Corps cannot be credited with the downfall of the Soviet Union. That leaves about 56% of the countries that saw democratic gains. Riddled throughout the remaining countries are regimes that have seen very small changes.

¹⁸⁵ Office of General Counsel. [online] *MS101: The Peace Corps Act 1998*. Available on the World Wide Web at (<http://www.peacecorps.gov/policies/pdf/ms101.pdf>)

It could be said that the Peace Corps is an elaborate public relations move on the part of the U.S. government. This argument becomes especially cogent when one considers that the agency was created in the early 1960s, when the expansion of Soviet Communism was still a very real threat and containment was the top national security priority. Engendering support for America and the American people was paramount in fighting to maintain the status quo in the seesaw battle between democracy and Communism.

In looking at the three steps that were noted as necessary to reform a struggling economy, one can evaluate the relative success or failure of U.S. policy in spreading democracy. There are three broad steps to creating a stable economy capable of supporting and sustaining a democracy. The first step is stopping the flight of capital from the country through the controlling of inflation and other fiscal policies. Secondly, the economy must be stabilized through the education and employment of the domestic workforce and the building of infrastructure. Lastly, the reforms must be attractive to both internal and external stakeholders of the policy machine making the changes. Determining the success or failure of the U.S. economic policy in creating environments amenable to democratic governance can best be accomplished by categorizing U.S. assistance according to the three steps listed above.

The first step is stopping the flight of capital from the country. This is necessary to encourage investment, both foreign and domestic. The U.S. boasts foreign direct investment of private capital in "developing" countries of over \$36 billion over the years 1997-2000.¹⁸⁶ The definition of this investment, though, is questionable. The investment that is referred to in the U.S.AID document is private investment into the businesses, not

investment that goes to any kind of humanitarian or economic aid. Though the argument can be made that, indirectly, the funds go to better the living conditions of the people, in this case it is more often a "rich get richer" scenario. The poor that do "benefit" from this type of investment are often low-skill, uneducated, poor workers who are ultimately made more dependent upon outside economic influence. The private investment does not go to building infrastructure to educate and train local workforces, but is often made in the vein of building manufacturing plants or harvesting raw materials, which does little to lift people from poverty or to stabilize economies.

The next step in creating a sustainable, developing economy is in the education and health of the domestic workforce. The U.S. has devoted a substantial amount of its foreign aid each year to both education and stopping the spread of AIDS in LDCs. A healthy and educated workforce will theoretically lead to greater economic development. To enact these measures, though, the U.S. must break through strong social and cultural mores and standards. For example, the U.S. intends to make education available to boys and girls in all countries. From an American perspective, the notion sounds completely natural, but for many countries, girls are not expected to be educated and forcing those countries to educate them as a condition of aid may have exactly the opposite effect than the one the U.S. intends. Forcing U.S.-style standards on countries as a condition of economic aid will more likely cause a country to entrench more firmly in its established processes and methods than encourage liberalization of the economy or the government.

From a purely theoretical standpoint, the U.S. does very little that actually affects positive, sustainable economic growth. The focus of the U.S. is to encourage capitalism in countries that have little in the way of industry or in the way of a public welfare or

¹⁸⁶ United States Agency for International Development, (August, 2002)

provision of public goods. Capitalism is, at heart, inherently unequal. Those that have education, social standing and access to capital will rise to the top of the economic ladder. In the U.S., there are some structures in place to ensure that those at the top and those at the bottom of the economic ladder do not outnumber those in the middle. There is a de facto check on the power of the elite due to the sheer size of the middle class. Without proper public goods (i.e. health, education, welfare) the middle class will not develop and the elite will continue to hoard power and rule the governments, and the numbers of citizens living in poverty will continue to rise. The paradox here is that developing countries often do not have the resources to implement these safety nets. The U.S. policies, more often than not, encourage economic change without the accompanying public goods to ensure that the economic changes are sustainable.

Country	Aid in 2001	GDP Growth Since 1988	1988 Score	2001 Score
Israel	2760	5320	9	10
Egypt	1956	480	-5	-6
Pakistan	921	70	8	-6
Colombia	382	1280	8	7
Afghanistan	297	N/A	-7	N/A
Jordan	227	-180	-9	-2
Peru	196	1440	7	9
Ukraine	160	-630	N/A	7
Russia	159	-1570	N/A	7
Indonesia	125	20	-7	7

Table 6.4: Comparison of U.S. Aid, Growth in G.D.P., and Change in Democratic Status from 1988
G.D.P. Growth is Per Capita in U.S. Dollars. Aid is in millions of U.S.D. Source: World Bank
Development Report

Theory aside, though, if one were just to look at the economic performance of the top recipients of U.S. economic aid, the same conclusion would be borne out; the U.S. policies of economic development are not effective. Table 6.4 indicates the top recipients of U.S. economic aid and their respective G.D.P. Growth.¹⁸⁷ The time period in this chart

¹⁸⁷ World Bank. [online] *World Bank Development Report 2002*. Available on the World Wide Web at (<http://www.worldbank.org/poverty/wdrpoverty/report/index.htm>) (September, 2002)

reflects the study by the World Bank from which the data is taken. Of the countries listed, only Israel can claim any major growth in Gross Domestic Product. If U.S. assistance were an effective instigator of economic growth and, subsequently, democratic change, one would expect to see a positive correlation across the board. Instead, the results are mixed, with some countries seeing economic growth but no substantial change in democracy or a trend towards democratic change but little accompanying economic growth. It is also worth noting that both the Ukraine and Russia likely experienced the democratic increase as a result of the fall of the Soviet Union, as opposed to the efforts of U.S. policymakers.

While this does not conclusively prove anything, it does indicate that relying heavily on economic assistance to bring about democratic change, if in fact democracy is the policy goal, is a naïve stance. The U.S. policy is heavily dependent on economic assistance to developing countries without any underlying infrastructure assistance. For infrastructure and economic foundation building, the U.S. more often relies on the services of the United Nations, the World Bank or Non-Governmental Organizations.

As Shapiro and Birdsall¹⁸⁸ find, the levels of economic aid now proposed fall far short of historical levels of funding. If, as the Bush, Clinton, and Bush II administrations have indicated, democracy and foreign aid were priorities, then levels of foreign aid should be increasing. Instead, the proposed FY2003 budget continues a trend of declining foreign aid.

In order to engender democratic change, though, the U.S. must also bring about transformation in the social structures of the "target" countries. The social changes

required for democratic change are numerous and wide ranging. It is difficult, in many cases, to define changes as simply social or simply economic. As economic development occurs, social changes will also take place. Social changes are often slower to develop but ultimately have the potential to effect the greatest amount of political change.

The importance of social transformation in the democratization of a country cannot be understated. Take as a hypothetical example, a country in which economic development has occurred. The country is now economically and fiscally sound and participates relatively freely in the international trading community. Yet, the ruling regime is still comprised of one class or group. Because the existing social structure says that one class is the ruling class, it continues to create policies and conditions that are beneficial to that class. It is a self-perpetuating cycle in which the elite rule to benefit the elite. Unless the economic development is accompanied by social development, then democratic change will not occur.

One can see such a broken cycle developing in China. That country does participate in international trade, though not completely unfettered, and their Gross National Product has steadily increased over the last decade. Yet there has been little substantive social change. The Communist Party is the ruling party, and enjoys the social benefits of that position, as well. The economic development has not resulted in social change. The lack of domestic democratic impulse results in stagnant social structures that do not demand change from the governing class.

The existing literature cites a variety of factors that determine the social structure of a country, which in turn impacts the economic and political structures. Though

¹⁸⁸ Isaac Shapiro and Nancy Birdsall. "How Does the Proposed Level of Foreign Economic Aid under the Bush Budget Compare with Historical Levels? And What Would be the Effects of Bush's New

scholars do not necessarily agree on the relative importance of each factor, they do agree on what the elements are that comprise social structures. Among the factors that impact the social, and therefore political, leanings of countries are class structure, religion, ethnic stratification, and culture. All of these factors have direct implications for the liberty of the individual, the root of democracy.

The question of class structure is one that has dominated the scholarly debate about individual freedoms and liberties. Yet, the question of structure itself is less important to the debate of liberty than is the relative strength and weakness of those classes. All societies will have a ruling or elite class, a middle class and the lower or poor class. The struggle does not derive from an attempt to change that structure, but from an attempt by one class to dominate the other. Marx and Engels¹⁸⁹ talked of a bourgeois revolution, which would be followed by a proletariat revolution. They did not dispute the existence of those classes, only the relative strength and societal positions of those classes. They felt that it was the proletariat that was the backbone of the country and as such should have the rights and privileges accorded to the elite. Conversely, the elite did little more than drain resource from the country and should be made accountable.

Notably, Marx and Engels foresaw different scenarios of political and governmental power resulting from each "revolution." The key to mitigating the effect of class structure on the political system is to have a highly developed civil structure. In other words, as long as all members of society, regardless of socio-economic position can participate in the political process, some of the class advantages are diluted. The Polity 4

“Millennium Challenge Account”?” Center on Budget and Policy Priorities. (March 2002)

¹⁸⁹ Marx and Engels, (1948)

Database measures several factors relevant to both social structure and therefore civil society. Two of those factors are the regulation of political participation and the competitiveness of political participation. In many countries, political participation is regulated according to social or class position.

That position may be predicated upon religion or ethnicity or socio-economic status. Regardless, the greater the regulation on participation, the less competitive the process. The database shows a strong positive correlation between the competitiveness of the political process and democracy. A regression analysis demonstrates the strength of the relationship between competition and democracy. Almost 90% of the variance in democracy score is explained by the independent variable, competition.

<i>Regression Statistics</i>				
Multiple R	0.93798424			
R Square	0.879814435			
Adjusted R Square	0.879797668			
Standard Error	6.124149635			
Observations	7170			

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	-2.80457747	0.072404586	-38.7348	3.394E-298
X Variable 1	0.994691034	0.0043423	229.0701	0

Civil society is difficult to mandate, however. The functioning of civil society is bolstered by social capital. Fukuyama defines social capital as the "informal norm that promotes cooperation between individuals."¹⁹⁰ He further defines social capital as the grease that keeps the cogs of both the economy and the government functioning smoothly. Social capital dictates the way people deal with one another vis a vis their respective standings in society. Social capital exists in every society but differs according to history, culture and religion. In the U.S., for example, on who is a member

¹⁹⁰ Francis Fukuyama. "Social Capital, Civil Society and Development," *Third World Quarterly*, Vol 22, No.1. (2001): 7-20.

of the upper-middle class and is white and is Protestant will perceive others not of that group differently than they would others within the group. Because social capital is deeply entrenched in the historical experiences of different peoples, it cannot be mandated. Social reform of that magnitude can only happen over time.

Fukuyama further states that social capital reduces transaction costs in free-market economies. Because social capital dictates trust and good-will, the interaction of groups with social capital will be greater and easier than between groups that do not share social capital. All of this means simply that people are more likely to associate with people like themselves as opposed to those that are not like themselves.

The lack of social cohesiveness prohibits the development of an inclusive civil society. In many cases, this is detrimental to the well being of the state. The state is better served by a well-rounded society with relative economic success. In countries with excessive social stratification, several classes of people may be unable to achieve economic success. The stunted economic growth of the citizenship means a smaller tax base for the state. Governments that cannot get money from its citizens must find alternative methods of funding the state. Such methods may include state ownership of industry. In these cases economic and therefore social liberalization become less likely. As the likelihood of social and economic liberalization decrease, so does the likelihood of democratization. Countries become stuck in a cycle of economic stagnation and social repression. Afghanistan provides ample illustration of the above scenario.

Huntington speaks of the recognition of the individual as the integral cog of democratic transformation. He further notes that cross-cultural studies have found democracies, particularly those in the "West", place unparalleled importance on the role

of the individual to the country.¹⁹¹ Accordingly, if a country's culture places greater importance on the group, then democratic change becomes less likely, though not impossible. Japanese culture, for instance, calls for a consideration of the group over the individual. Based on the criteria of emphasis on the individual, it would appear that democracy could not exist in such a culture. Democratic change in that country came at a heavy price, unconditional surrender to the Allies after World War II. Yet without some resonance in the society, it could not have lasted over sixty years.¹⁹² The belief here is that by making the country better for the group first, it "trickles down" to the individual. This philosophy is a reversal of the U.S. style of democracy, in which individual liberties are considered first, and the effect on the group considered second, if at all. Deeply entrenched social mores do not simply vanish overnight. They exist as a result of centuries of social and economic experience. Social changes must have some impetus in economic change. To bring about democratic change, economic reform must bring about social changes, as well.

Part of making economic reform work is to sell it to the citizens by making them believe that the reform will affect all classes of citizens, not just the elite. Doing that means that economic change must herald tangible social effects. A country that espouses economic reform, but only allows the reforms to benefit the elite will not democratize. There are several reasons for that lack of democratic movement. If only the ruling elite continues to gain, they will see no reason to break their hold on power. The underclasses will see no hope for improving their own lot and no way to break the hold of the elites. No governmental reform will be undertaken.

¹⁹¹ Huntington (1996)

Measurement of the change of social structures within countries is difficult at best. In using the Polity IV dataset, it can best be approximated by using the Recruitment and Competitiveness measures. The more open the Recruitment and the more Competitive the processes within a country, the more open the society. Using these variables, recruitment and competition, a regression analysis can indicate whether or not U.S. aid had any notable effect on the fundamental building blocks for democracy. The regression results using Competition as dependent variable produces the following:

<i>Regression Statistics</i>				
Multiple R	0.0919			
R Square	0.0085			
Adjusted R Squ	0.0083			
Standard Error	1.5664			
Observations	6663			

	<i>Coefficient</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	2.5654	0.019678421	130.37	0
X Variable 1	0.0006	7.62924E-05	7.5345	6E-14

Based on these results, U.S. aid has very little effect on the competitiveness of the recipients' political structures. Similarly, analyzing the effect of U.S. aid on the recruitment for political participation delivers similar results.

<i>Regression Statistics</i>				
Multiple R	0.0896			
R Square	0.008			
Adjusted R Squ	0.0079			
Standard Error	2.4539			
Observations	6663			

	<i>Coefficient</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	5.1309	0.030826931	166.44	0
X Variable 1	0.0009	0.000119515	7.3424	2E-13

Again, less than 1% of the variance of the dependent variable can be explained by U.S. aid.

Based upon the regression results, a pattern of success or failure for U.S. policy abroad cannot be determined. At best, U.S. policy can be said to have no real widespread

¹⁹² There are some scholars that have questioned the durability and veracity of Japanese democracy. Using

effect. The U.S. policy of exporting, or at least encouraging, democracy in the New World Order has had very limited success. But if the policy was aimed, not at creating democracies, but at creating pro-U.S. sentiment, could it be considered successful?

Effectiveness of U.S. Policy at Engendering Support for the U.S.

The levels and the recipients of foreign aid indicate a purpose other than enlarging the community of democracies. The U.S. patterns are more indicative of a country trying to create allies in areas that are of strategic importance. The U.S. uses funding as a carrot to bring countries in line with the U.S. position. The current situation in Afghanistan and Pakistan is perfectly illustrative of such a policy. The U.S. needs Pakistan as an ally in the fight against Al Qaeda in particular and against terrorism in general.

Pakistan needs a strong ally if it is to stand up to nuclear threats from India and insurrection from within. The U.S. has threatened Pakistan's funding if its terrorists are not rounded up and arrested. In order to bring Pakistan under its thumb, the U.S. threatens to reduce the economic aid sent to Pakistan. The result is that President Musharaf rewrote the constitution to give himself the ability to dissolve the government at any time he feels it necessary. That allows him to negate a legitimate election of "anti-American" politicians. This is hardly a democratic evolution that has resulted from American pressure. A Prime Minister that can dissolve an elected parliament due to an anti-American tilt is not democratic, but it is surely in American interests. As a result, the U.S. has given no public reaction to that turn of events.

If it is believed that economic aid is a method of turning international sentiment

the baselines for this study, a democracy score of 6 on the Polity IV study, Japan does qualify

towards the U.S. and of promoting democracy, than that policy has been a failure on both counts. Johnson's¹⁹³ study on international sentiment towards the U.S. compares the amount of financial assistance received by each country and the number of times that country voted against the U.S. in a United Nations vote. Table 6.5 depicts the top ten recipients of U.S. foreign aid in 1997.

Country	FY'97 Aid	Votes Against US in FY'97
Israel	\$3 billion	5%
Egypt	\$2.116 billion	61%
Bosnia	\$225 million	42%
Ukraine	\$186 million	41%
Russia	\$177 million	41%
India	\$153 million	76%
Peru	\$112 million	57%
Haiti	\$109 million	56%
Bolivia	\$106 million	55%
Ethiopia	\$106 million	57%

Table 6.5: UN Voting Patterns of Top U.S. Aid Recipients. Source: Heritage Foundation.

With the exception of Israel, the largest recipients of aid have voted against the U.S. more often than not. This illustrates the fact that all countries, as all people, are rationally self-interested actors. They do not act benevolently, but in their own interests first. The U.S. gives aid in the hopes of attracting allies in strategically important regions. The recipient countries will take as much aid as they can without having to substantially change their processes or cultures.

In short, U.S. aid does little to help create an economy in which development and growth are likely to occur. The United States will pour money into countries to help buy their loyalty or to give themselves a strategic position in a volatile region of interest to the U.S.. The downfall of economic aid as a democratic impetus is that it does not help to put

¹⁹³ Johnson, Bryan T.[online] "Does Foreign Aid Serve U.S. Interests? Not at the United Nations." Available on the World Wide Web at (<http://www.heritage.org>) (April 1997)

in place public goods that are also necessary to bring about the social and political changes inherent in democratic transitions.

It has been shown that U.S. aid does little to garner support from foreign governments in UN votes. The U.S. has also been largely unsuccessful in turning public opinion abroad towards a more favorable view of the United States. Evidence of this unfavorable attitude can be seen in the increase in both the number and severity of terrorist attacks against U.S. targets. The ten years between the Gulf War and the September 11, 2001 terror attacks against the U.S. had been witness to increasingly brazen attacks against U.S. interests. The bombing of embassies in Kenya and Tanzania, the explosion on the U.S.S Cole and finally the attacks on the World Trade Center and the Pentagon illustrate the growing frustration that many countries feel over the ever-increasing reach and power of the United States.

Impact on Democracy

Cold War policy was predicated upon the notion of defending democracy against the imperialist expansion of the Soviet Union. Post-Cold War policy has been predicated upon the notion of expanding the community of democracies. Because the U.S. has long positioned its foreign policy as one that makes the world safe for democracy, it seems only appropriate to compare the impact of Cold War and post-Cold War policy on the spread of democracy.

As noted previously, there are three main factors that determine the relative success or failure of democratic transition. Those factors are the economic structures, the civil society and the political structures of the country. The policies of the Cold War and those that came after both address these issues, though in far different ways. The two

policies will be compared on the basis of their attention to these elements and on the overall impact of the policies on the increase of democracy in the world overall.

The first factor of democratization is the type and health of the overall economy of the country. Though not a return to Rostow and the theories of modernization, there is some truth to the notion that a country that is economically secure, or at least has a means of developing, is more successful at transitioning to democracy than those countries that continue to struggle. The U.S. has often been generous with economic and military aid. The Cold War was no exception. The U.S. gave millions of dollars in military and economic aid to Latin American countries at the height of the Cold War. Similarly, post-Cold War policy continues to send economic aid all over the world. The difference is primarily in the structure of the aid and where the aid is sent.

Carothers¹⁹⁴ states that prior to the 1980s, democracy aid per se was not a staple of U.S. foreign policy. It was not until Reagan began to re-iterate a hard-line anti-Soviet rhetoric that the cause of democracy began to regain its former position in American policy. At that point, the way in which the U.S. distributed aid began to change.

Throughout most of the Cold War, U.S. aid came in the form of food aid or military aid. Economic aid that was given was distributed either to governments, or anti-government forces, depending on its strategic relevance. The problems with giving aid directly to a government are obvious. It is impossible to regulate the distribution of that money. If the government chooses to take that money and distribute among those members of the ruling elite, the donor country really has no recourse. Because the country is sovereign there is no possible means of enforcement. The country that provides

¹⁹⁴ Carothers, (1999), 18

the aid cannot determine how much will be spent on education, health, and other public goods.

Further, the aid given during the Cold War was rarely predicated upon the behavior of the ruling regime. If a country was deemed to be strategic to the interests of the United States, then the U.S. provided economic and military assistance to the government of that country. The Cold War is rife with examples of the United States supporting countries with less than reputable human rights practices, simply because they were anti-Soviet. The aid continued as long as the government continued to be anti-Soviet.

In contrast, the U.S. now gives aid through a variety of sources and has established requirements for the recipient government to uphold, however nebulous or vague those requirements might be. Notably, though, the U.S. has mitigated the effects of distributing monies through the government, by disbursing money through a variety of non-governmental organizations. Additionally, the United States has identified various factors (i.e. education, health, and infrastructure) that will impact the economic development of countries and has targeted its aid to improving those factors first.

The U.S. has recognized the need for developmental impetus in a variety of arenas. Its emphasis is still on trade, though, to increase the economic standing of a country. The level of private investment and LDC imports indicates that the government still puts more weight on the ability of countries to help in their own development than in having an outside influence force development.

Aid to governments is predicated, ostensibly, on the behavior of that government. The Clinton administration used economic engagement as the bait to lure countries into

the realm of free trade and democracy. His policy was very heavily dependent on creating and supporting an international economy. The use of trade incentives and sanctions was used to steer countries down the path of democracy. While not completely eschewing the use of aid and development assistance, the Clinton administration was more dedicated to the support of economic interests than in realpolitik. It may not be possible to determine the relative success or failure of the Clinton foreign policy in that respect.

According to the Millennium Challenge papers disseminated by the Bush II administration in the summer of 2002, the new focus of aid, both developmental and economic, will be predicated upon the behavior of a country's government. Though the language is subjective, the idea is that countries that treat their people with respect, dignity and a rule of law will receive aid, while those that do not so treat their people will not receive aid.

In contrast to the Cold War aid policies, the Clinton and Bush II administrations are much more heavily focused on creating democracies, rather than just pro-U.S. regimes. Having identified the variables that tend to create democratic regimes, the Clinton and Bush administrations have focused their attentions on those variables: health care, equitable opportunities for education, land reform, infrastructure, and environment. If a country is successful and at bringing about the development of those factors, then it can continue on a path of overall development, and perhaps even begin the transformation to democracy.

In addition to those economic concerns, current foreign policy also takes into account both the governmental structures and the civil society of a country before giving

aid. The Millennium Challenge Account sets forth a variety of measures that will assist a country in sustaining economic development, thereby progressing towards a democratic end, according to the current theory. The MCA notes four pillars of sustainable development: good domestic governance, investment in people, partnerships with private companies, and environmental stewardship.¹⁹⁵ This policy evidences the belief that in order to create an economy that will support democratic governance countries must learn self-reliance. Far from promoting dependency, post-Cold War policy encourages the development of a strong national infrastructure and a strong civil society.

The development of democracy in this way, simultaneously evolving from the bottom up and the top down, is an interesting departure from the Cold War. Cold War policy turned on having a country declare itself either pro-U.S., or at least anti-Soviet. U.S. policymakers evangelized democracy as a means to meeting U.S. national interests. For example, “Going to Korea will save democracy; Defending Vietnam is defending democracy.” But the goal was to establish a perimeter of countries that were anti-Soviet, irrespective of the whether or not the country was necessarily democratic. When the U.S. tried its hand at outright nation building, its efforts were largely unsuccessful.

Again, it should be pointed out that there were fundamentally different goals to the policies. Decision-makers during the Cold War were convinced that the Soviet Union presented an immediate threat to the physical and ideological existence of the United States: “Communist ideology and Soviet behavior clearly demonstrate that the ultimate objective of the leaders of the U.S.S.R. is the domination of the world.”¹⁹⁶ Current U.S. policy sees that the U.S. stands alone at the pinnacle of world power and sees that the

¹⁹⁵ U.S. Department of State. (August, 2002)

¹⁹⁶ National Security Council. (1948)

best way to maintain that position is through the establishment a larger community of democratic countries participating in free trade on the international market.

The difference in the policies is the difference in stasis and dynamism. Stop the Soviet Union from expanding its influence and maintain the status quo, versus the current policy of encouraging democratic and economic transitions. Yet, the ultimate and unspoken goal of both policies is the same; to achieve and its perceived penultimate position of global power. The irony here is that the goal of preeminent power is the same goal the U.S. was attempting to stop the Soviet Union from achieving during the Cold War. Yet, there is more in common with the two policies than might be thought. If one were to compare the two policies through the lens of Allison and Zelikow's¹⁹⁷ rational actor model, the disparate positions of the policies may not seem quite so out of line.

¹⁹⁷ Allison and Zelikow. (1999), 23-26

Chapter 7

Summary and Conclusions

There were two main purposes of this study. The first was to determine whether concerns about democracy legitimately drive foreign policy actions. The second question addressed by this study was whether U.S. actions have any effect on actual democratic transitions.

Democracy has been, and likely always will be, an integral part of U.S. foreign policy. Yet, the role that democracy plays is not necessarily the one that many would expect. Based on the findings here, it appears that the role of democracy in foreign policy is largely rhetorical, used as a justification for taking actions that would be difficult to support without a democratic cause. In addition to being a justification for the exercise of U.S. power abroad, the cause of democracy has great resonance domestically.

The main emphasis of the current literature on democratization and U.S. foreign policy is the assumption that the U.S. actually desires a democratic outcome in other countries. There is, as always, the purported security of the Democratic Peace. The problem with assuming that the U.S. would be more secure with a community full of democracy is that it also assumes that ideology is the only reason that countries go to war. Choucri and North¹⁹⁸ have ably demonstrated that there are a variety of reasons that countries come into conflict, and ideology is only one of those reasons.

¹⁹⁸ Choucri, N. and North, RS. *Nations in Conflict*. (San Francisco, CA: Freeman, 1975)

An interesting corollary to Wildavsky's "two presidents" theory is the notion of using foreign policy to garner support for domestic programs. For example, if the president is seen to be acting in the interest of democracy abroad, he may gain political capital domestically. Following the demise of the Soviet Union, U.S. policy makers began touting the victory of democracy. Almost every foreign action taken is taken now, not to defeat Communism as was the case before, but to export democracy, according to policy rhetoric. This is especially interesting because the U.S. cited the imperialist tendencies of the Soviet Communist ideology as one of the main threats of the Soviet Union. Yet, as Communism's influence began to wane, the U.S. became more interested, at least publicly, in "exporting" democracy.

During the Cold War, which was largely perceived as a standoff between democracy and Communism, the U.S. was not so reticent about who received support. Democracy was not a prerequisite. The only requirement was that a country be opposed to the Soviet Union. The result could be likened to a hybrid game of ping pong and checkers, with the U.S. and the Soviet Union dotting the globe with "proxies" who alternated loyalty between the two Superpowers. A list of the dictators supported by the government gives lie to the notion that the U.S. was supporting benevolent leaders with democratic tendencies. Manuel Noriega, the Shah of Iran, Saddam Hussein, the Mujahideen in Afghanistan, are some of the examples of leaders that enjoyed the support of the United States without demonstrating any democratic tendencies.

Since the end of the Cold War, the United States has been more circumspect in its allies, choosing to affiliate itself publicly only with those leaders or countries that openly demonstrate respect for democratic principles. Desert Storm and the War on Terrorism

have both demonstrated that the U.S. has been very careful about publicly affiliating itself with countries that may be seen as anti-democratic. Even that, however, is mitigated by the actions of the U.S. in terms of financial and military aid.

The primary difference between Cold War policy and Post-Cold War policy has been that, rather than simply trying to preserve democracy against the encroachment of Soviet ideology, the United States is now trying to encourage the growth of democracy. The use of economic and military aid to gain support is just one factor that has remained constant despite the rapidly changing international environment. That support, however, has rarely brought about the desired effects.

What has changed, though, is the rhetoric surrounding that aid. The U.S. now gives aid to governments that "govern justly" and demonstrate "respect for the rule of law." In the past, the U.S. government was more likely to dress up its aid by cloaking it in language concerning the fight against Soviet expansion. The U.S. was more open about giving funds to less than admirable regimes, provided they were anti-Communist.

Yet the foundation of the policies is the same; to achieve and maintain the apex of international power. In spite of the rhetoric doled out in post-Cold War policy speeches, the U.S. does not act out of a driving sense of benevolence. The Realist framework that defined the policy of Containment is still at work in the policy of Enlargement. Policymakers are simply forced to dress up the policy in more appealing language for the U.S. public.

One such example is the "economic engagement" of China. China had shown no signs of liberalizing its government or changing its stance on human rights issues. Yet China has been designated a Most Favored Nation for decades and the Clinton

administration urged greater trade involvement with the U.S.. This was supposed to lead ultimately to greater exposure to democratic ideals and thus show China that democracy was the better ideology. As of today, there has been no softening of attitudes from China, but the market of over one billion consumers is more open to U.S. industry than it ever has been before.

The second question in this study was that of the effectiveness of various types of U.S. actions and aid on the adoption of democratic governmental traits. Not surprisingly, it was found that military aid was more commonly associated with states experiencing a lessening of democratic tendencies. This may be a result of any number of factors, including the fact that U.S. military aid is most likely to go to countries that are 1) strategically important to the U.S. and 2) are under some kind of threat, either internal or external, to the pro-U.S. regime. Military aid is not given on the basis of democratic governance, but on the stance of the ruling regime relative to U.S. interests.

The second type of aid, economic aid, was also found to have little impact on the adoption of democratic tendencies. In the immediate post-World War II period, there did appear to be a strong correlation between economic aid and an above average democratic rating. What relationship did exist, however, faded as the twentieth century came to a close. By the year 2000, economic aid was more closely linked to those countries with much lower democratic rankings, relative to those that did not receive aid.

There are two possible explanations for this trend. The first possible explanation for that finding is, of course, that the U.S. is offering a way for these countries to begin the path to democracy by elevating their economic status, or at least planting the seed that

will lead to elevated economic status. Thus, those countries that are more democratic would logically receive less aid than those that are less democratic would.

The other explanation is less flattering to the U.S., yet offers a much more likely scenario. The U.S. is driven by a Realist paradigm. National security and national interests come first. A study of the largest recipients of U.S. aid reveals that it is not necessarily those countries that need the most, but those countries that offer the most, tangibly or intangibly, to the United States that are the beneficiaries of U.S. largess.

The relationship between U.S. aid and the recipients' democratic tendencies is tenuous at best. The top 10 recipients of economic aid over the last 40 years were all powers that the U.S. was trying to bolster to create regional balances of power. India and Pakistan both rank highly in terms of economic aid from the U.S., as do Israel and Egypt. This is more illustrative of the U.S. attempting to create counterbalances of power than of U.S. attempts at exporting democracy.

The effect of U.S. actions on the growth of democracy is indirect. Much of the democratization witnessed in the late twentieth century was the result of the fall of the Soviet Union and the transformation of its member states and satellites into nascent democratic states. Though many may hearken to the Reagan Victory School as an answer to the fall of the U.S.S.R., it can be equally argued that the collapse came as a result of inherent flaws in the command economy, thus making the arms race an intervening variable, but perhaps not the cause.

The U.S. uses democracy as a cloak for economic or security interests. That should be expected from a governmental system that is accountable to its constituents for its actions. Few voters are going to support a blatantly self-serving foreign policy. Long

experience has taught U.S. policymakers that dressing up national security interests in the guise of democracy will win voters over more often than not. The danger for the politicians comes when the mask slips, as it did in Vietnam and Somalia.

A more likely explanation for the development or non-development of democratic governments lies in a theory of democratic evolution. A governmental type and structure grows organically, a result of the pressures and environmental context in which it exists. Aid may help a country move from one stage to another in its developmental process, but only to a certain point. Aid cannot change long-held cultural or religious beliefs. Nor can an outside influence change a country's civic or class structures. Those changes have to come from within and they may take generations to complete. Without those changes, a democratic transformation would be difficult, if not impossible, to sustain. An inclusive government cannot exist unless the society that it governs is also inclusive.

Avenues for Further Study

This study provides an effective launching pad for further analysis regarding the role of the United States in the enlargement of the democratic community. There is little existing literature on the effect of U.S. attempts at aiding democracy and the success of those attempts. This paper simply opens new avenues to look at the causal effect of American actions as they relate to democracy assistance. The following are some of the studies that could be conducted based on the research in this study.

Effect of Democratic Rhetoric on Presidential Approval Ratings

While this study touched only briefly on the issue, it would be interesting to correlate support for foreign policy actions with support for domestic actions. The "rally 'round the flag" effect is well documented. However, it would be interesting to see what the effect of mentioning democracy in a major policy address did to the president's

domestic approval ratings. A content analysis of speeches delivered at certain intervals during and after the Cold War, or during and after other significant events, could be compared with the president's subsequent overall approval ratings, his personal approval ratings and then his ratings on foreign and domestic issues. The researcher could also compare a non-war time speech with a speech that is conducted during a military action in which the U.S. is involved.

Quantitative Studies of the Relationship between U.S. Actions and Democracy

Though this study does make use of quantitative data, it does so more to set the stage for further exploration, than to reach any hard and fast conclusions. Though a cursory examination of the data does give rise to some preliminary findings, a further examination may find that the relationships may be stronger or weaker than they appear now. Relationships between types of aid and different developmental factors may also give greater insight into the most effective types of aid to provide, assuming the desired outcome is democracy.

It may also be possible to create a matrix of state characteristics against democratic characteristics, giving each characteristic a dummy value. The probability of a state becoming a democracy could then be generated based on that matrix.

Economic Implications for the U.S. of Growing Democratization

One of the conclusions of this study was that the U.S. does not really have an interest in expanding the reach of democracy. This conclusion is based primarily upon the actions of the U.S. in terms of the disbursement of aid and the ineffectiveness of U.S. actions at achieving substantive differences in the GNP of recipient countries. It would be interesting, then, to see a study of the actual economic effect on the U.S. of one their

trade partners democratizing. For example, if the United States had to import from Malaysia or China that was a capitalist, democratic society, the impact on the U.S. economy would surely be significant.

Case Studies of Governmental Evolution

This study proposes a theory of governmental evolution that ultimately results in democracy. This theory is based on the observations of countries struggling to democratize and create free market economies. It is an aggregation of issues that have been seen to counter the effectiveness of regime change. The correlation of Maslow's Hierarchy to the growth and development of the state provides an interesting basis for case study analysis of the process of democratization.

Conclusion

In studying the evolution of policy over the period from 1946-2000, the guiding principles of U.S. actions can be determined. By comparing the policies of the Cold War and the Post-Cold War period it appears that the underlying philosophy of U.S. foreign policy has not changed. That philosophy is that, regardless of ideology, the U.S. is going to support regimes that are strategically important to the U.S. interest. Given the prevalence of Realist-minded politicians in the U.S. government, that result should not be surprising. The only reason that this finding is relevant is that is contrary to the public face given to U.S. foreign policy.

The rhetoric surrounding U.S. policy has changed only slightly since the end of the Cold War. Foreign policy in the Post-Soviet era has taken on more of a missionary flavor, as opposed to the combative stance taken throughout the Cold War. Despite the rhetoric, though, U.S. actions have had a minimal effect on the actual growth of the

democratic community. Internal pressures and economic growth have shown to be more influential in democratic transitions than has U.S. involvement.

This finding can support two conclusions: either the policy learning cycle of the U.S. government does not work in regard to foreign aid or that the policy is designed to protect strategic U.S. interests rather than to engender democratic transitions. Given the hegemony of the U.S., it is not likely that its foreign policy learning cycle is broken. The U.S. has maintained its ability to project its interests and force on a global scale since the early part of the twentieth century. While U.S. foreign policy has faltered on occasion it cannot be said to have failed. Rather, the more likely explanation for the disparity between the rhetoric surrounding U.S. foreign policy and the success of the U.S. at creating democracies is that democracy is a secondary consideration to U.S. foreign policy makers. Economic and defense issues are primary considerations. Whether those interests are secured with democratic allies or totalitarian allies is far less important.

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