## Dilemmas of Foreign Aid: Debating U.S. Policies



## THE CHOICES PROGRAM

Explore the Past... Shape the Future
History and Current Issues for the Classroom

WATSON INSTITUTE FOR INTERNATIONAL STUDIES BROWN UNIVERSITY WWW.CHOICES.EDU

## **Copyright and Permissions**

This document is licensed for single-teacher use. The purchase of this curriculum unit includes permission to make copies of the Student Text and appropriate student handouts from the Teacher Resource Book for use in your own classroom. Duplication of this document for the purpose of resale or other distribution is prohibited.

Permission is not granted to post this document for use online. Our eText Classroom Editions are designed to allow you to post individual readings, study guides, graphic organizers, and handouts to a learning management system or other password protected site. Visit http://www.choices.edu/resources/e-text.php for more details.

The Choices Program curriculum units are protected by copyright. If you would like to use material from a Choices unit in your own work, please contact us for permission.

## The CHOICES Program October 2013

Director Susan Graseck

Administrative Manager Kathleen Magiera

Communications & Marketing
Jillian McGuire Turbitt

Curriculum Development Director
Andy Blackadar

Curriculum Writer Susannah Bechtel

Professional Development Director Mimi Stephens

Program Associate Leah Elliott

Program Associate Maya Lindberg

Video and New Media Producer
Tanya Waldburger

The Choices Program is a program of the Watson Institute for International Studies and the Office of Continuing Education at Brown University.

The Choices Program develops curricula on current and historical international issues and offers workshops, institutes, and in-service programs for high school teachers. Course materials place special emphasis on the importance of educating students in their participatory role as citizens.

## Acknowledgments

Dilemmas of Foreign Aid: Debating U.S. Policies was developed by the Choices Program with the assistance of the research staff of the Watson Institute for International Studies, scholars at Brown University, and several other experts in the field. We wish to thank the following researchers for their invaluable input to this or previous editions:

Charles T. Call Associate Professor School of International Service, American University

Vikram Chand Senior Public Sector Management Specialist World Bank

Neta Crawford Professor of Political Science and African American Studies Boston University

Antonio Donini Former Visiting Senior Fellow Watson Institute for International Studies, Brown University

Larry Minear
Former Director
Humanitarianism and War Project, Tufts University

Linda B. Miller Professor of Political Science, Emerita, Wellesley College Visiting Scholar Watson Institute for International Studies, Brown University

Michael Spagat Chair of the Economics Department Royal Holloway, University of London

 $\begin{array}{l} Peter\ Uvin \\ Provost,\ Amherst\ College \\ Former\ Henry\ Leir\ Chair\ of\ International\ Humanitarian\ Studies \\ Fletcher\ School\ of\ Law\ and\ Diplomacy,\ Tufts\ University \end{array}$ 

Robert Wade
Professor of Political Economy and Development
London School of Economics

All maps by Alexander Sayer Gard-Murray.

Dilemmas of Foreign Aid: Debating U.S. Policies is part of a continuing series on international public policy issues. New units are published each academic year and all units are updated regularly.

Visit us online — www.choices.edu

## **Contents**

Introduction: What is the Purpose of Foreign Aid?	1
Part I: An Overview of U.S. Foreign Aid	2
What is Foreign Aid?	2
Distributing Foreign Aid	3
Debates and Controversies	7
Part II: Case Studies in Aid Policy	11
Case Study: Humanitarian Aid—Hunger in the Sahel	11
Case Study: Military and Security Aid—Plan Colombia	15
Case Study: Economic Stabilization—The Global Financial Crisis	19
Case Study: Development Assistance—Confronting HIV/AIDS	22
Options in Brief	27
Option 1: Cooperate for a Better World	28
Option 2: Protect our Economy and Security	30
Option 3: Put the United States First	32
Supplementary Document	34
Supplementary Resources	43

THE CHOICES PROGRAM is a program of the Watson Institute for International Studies at Brown University. Choices was established to help citizens think constructively about foreign policy issues, to improve participatory citizenship skills, and to encourage public judgement on policy issues.



The Watson Institute for International Studies was established at Brown University in 1986 to serve as a forum for students, faculty, visiting scholars, and policy practitioners who are committed to analyzing contemporary global problems and developing initiatives to address them.

© Copyright October 2013. Fifth edition. The Choices Program. All rights reserved. ISBN 1-60123-160-1 / 978-1-60123-160-4.

## Introduction: What is the Purpose of Foreign Aid?

In January 2010, much of the world tuned in to witness the devastating aftermath of an earthquake in Haiti. Over 230,000 people lost their lives and entire communities were destroyed. Haiti, one of the poorest countries in the world, had little in terms of infrastructure, government, or supplies to confront the crisis. In the weeks following the earthquake, individuals, governments, private companies, and nonprofit organizations around the world contributed to the relief efforts. The United States government committed \$3 billion in aid.

Years later, people in Haiti still face daily reminders of the earthquake's destruction. As of December 2012, 360,000 Haitians remained in camps, and 1.5 million faced extreme food shortages. Despite the enormous funding poured into earthquake relief efforts, Haitians have expressed their discontent with delays in reconstruction and a lack of communication between the international community and local leaders. Large amounts of funding remain unused due to delays in decision making. At the same time, the U.S. government and other agencies have provided food, critical medical supplies for treating cholera, and construction equipment.

The situation in Haiti reveals some of the complex issues surrounding the use of foreign aid. These issues raise important questions about the United States' relationship with other countries and the role of foreign aid in resolving global problems. When should the United States provide aid to other countries? Is foreign aid a one-time investment, or an ongoing commitment? Can the U.S. government guarantee that foreign assistance will produce positive outcomes?

In the case of the earthquake in Haiti, the U.S. government provided humanitarian aid. But what about when the United States provides assistance to foreign militaries, economies, or long-term development projects? These cases also present difficult challenges, and raise questions about how the United States provides foreign aid.

The recent economic crisis has led to debates surrounding how the U.S. government should spend the taxes it collects. When it comes to decreasing government spending, studies show that the U.S. public is more willing to cut foreign aid than any other part of the budget. This might be due to a common misconception among U.S. citizens that foreign assistance is more than a quarter of the federal budget. In fact, federal spending on foreign aid programs accounts for less than 1 percent of the budget.

In this reading, you will take a look at the U.S. role in the world—in particular, at the direction of U.S. foreign aid policy. Part I identifies the types of aid, key organizations, and debates that drive U.S. foreign assistance policies. Part II contains case studies that examine four U.S. foreign aid programs and explore some of the issues and dilemmas behind each. After you have finished the reading, you will be asked what types of foreign aid policies you think the United States should pursue.

# Dilemmas of Foreign Aid: Debating U.S. Policies



## THE CHOICES PROGRAM

Explore the Past... Shape the Future
History and Current Issues for the Classroom

WATSON INSTITUTE FOR INTERNATIONAL STUDIES BROWN UNIVERSITY WWW.CHOICES.EDU

## **Contents**

The Choices Approach to Current Issues	ii
Note to Teachers	A. O <sup>1</sup>
Integrating This Unit into Your Curriculum	2
Reading Strategies and Suggestions	3
Day One: Data Analysis: Tracking the Millennium Development Goal	s 4
Optional Lesson: Contradictions of U.S. Aid Policy During the Cold V	War 11
Optional Lesson: Looking at Foreign Aid	available online
Day Two: Considering the Impact of U.S. Policy	14
Day Three: The Three Options: Organization and Preparation	20
Day Four: The Three Options: Debate and Discussion	26
Day Five: Joining the Debate on U.S. Policy	28
Key Terms	35
Issues Toolbox	36
Making Choices Work in Your Classroom	37
Assessment Guide for Oral Presentations	39
Alternative Three-Day Lesson Plan	40

The Choices Program is a program of the Watson Institute for International Studies at Brown University. Choices was established to help citizens think constructively about foreign policy issues, to improve participatory citizenship skills, and to encourage public judgement on policy issues.



The Watson Institute for International Studies was established at Brown University in 1986 to serve as a forum for students, faculty, visiting scholars, and policy practitioners who are committed to analyzing contemporary global problems and developing initiatives to address them.

© Copyright October 2013. Fifth edition. The Choices Program. All rights reserved. ISBN 1-60123-160-1 / 978-1-60123-160-4-TRB.

## Data Analysis: Tracking the Millennium Development Goals

## **Objectives:**

**Students will:** Analyze statistics on the Millennium Development Goals.

Compare global and regional data on extreme poverty.

## Required Reading:

Students should have read the Introduction and Part I of the reading in the student text and completed "Study Guide—Introduction and Part I" (TRB 5-6) or "Advanced Study Guide—Introduction and Part I" (TRB-7).

## Supplemental Materials:

A playlist with videos describing extreme poverty and aid programs focused on eradicating poverty can be found at: <a href="http://www.choices.edu/foreignaidmaterials">http://www.choices.edu/foreignaidmaterials</a>>.

## Handouts:

"Millennium Development Goal: Reduce Extreme Poverty" (TRB 9-10)

## In the Classroom:

1. Reviewing the MDGs—Have students recall what they learned about the Millennium Development Goals in Part I of the reading. Which organization coordinates the Millennium Development Goals? What are some of the MDGs? How are countries and institutions working to eradicate poverty, promote gender equality, and combat malaria, among other goals?

**Note:** You may want to explore the MDG website with your students for information not covered in the student text. <a href="http://www.un.org/millenniumgoals/">http://www.un.org/millenniumgoals/</a>

2. Data Analysis—Divide students into small groups and distribute the handout, "Millennium Development Goal: Reduce Extreme Poverty." Explain to students that they will be using graphs to examine data on the first Millennium Development Goal—reducing

extreme poverty by half. Remind students to examine all parts of the graph to get a complete picture of what the figures represent.

3. Sharing Conclusions—Bring the class back together after students have completed the worksheet. What were students' overall impressions of the data? What do students think about defining extreme poverty as living on less than \$1,25 a day? Were students surprised by the differences in poverty between 1990 and 2010? How so? Did Figure 1.2 alter how students viewed the information presented in Figure 1.1? In what regions has relatively little progress been made to eradicate poverty? Why do students think this is the case?

Tell students that since extreme poverty has been tracked for the Millennium Development Goals, the number of people living in extreme poverty has decreased by 700 million. Still, 1.2 billion people remain in extreme poverty, living on less than \$1.25 a day. Do these statistics strike students differently than the proportions provided in the graphs? How so?

Now have students consider the larger debate surrounding the Millennium Development Goals. What opportunities and challenges exist when the international community coordinates to tackle global issues? Are there certain goals students believe are more difficult than others to achieve? Why? Have students imagine they are country representatives to the United Nations. How might their perspectives on funding the MDGs or prioritizing certain goals over others differ by country? For example, how might the perspective of the United States differ from that of a country in Sub-Saharan Africa or Latin America?

### Homework:

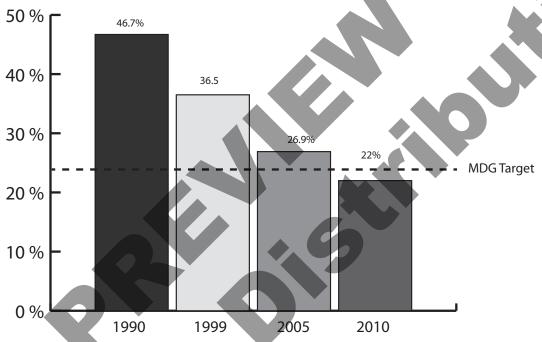
Students should read Part II of the reading in the student text and complete "Study Guide—Part II" (TRB 15-16) or "Advanced Study Guide—Part II" (TRB-17).

Data from the Millennium Development Goals Report, 2013.

## Millennium Development Goal: Reduce Extreme Poverty

*Instructions:* The objective of Millennium Development Goal 1 is to reduce extreme poverty by half between 1990 and 2015. Examine the data in Figures 1.1-1.2, and answer the questions that fol-

## Figure 1.1—Proportion of People Living in Extreme Poverty in the Developing World



1. The United Nations defines extreme poverty as living on less than \$1.25 a day. The MDGs track "developed" and "developing" regions. The following developing regions are included in the graph: Sub-Saharan Africa, Southern Asia, South-Eastern Asia, Eastern Asia (China), Latin America and the Caribbean, Western Asia, and Northern Africa.

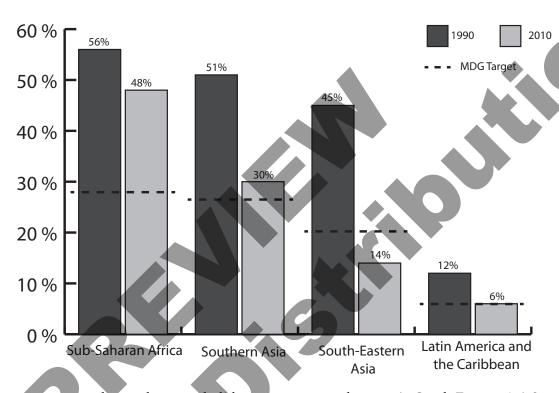
- 1. Based on the information from this graph, how is extreme poverty defined?
- 2. By approximately what percentage did extreme poverty decrease...

a. between 1990 and 2005?

- b. between 2005 and 2010?
- 3. According to the graph, has the international community met Millennium Development Goal 1?

Data from the Millennium Development Goals Report, 2013.

Figure 1.2—Proportion of People Living in Extreme Poverty by Region



- 1. Between 1990 and 2010, how much did extreme poverty decrease in South-Eastern Asia?
- 2. Between 1990 and 2010, how much did extreme poverty decrease in Sub-Saharan Africa?
- 3. For Southern Asia to meet its MDG target, how much more does extreme poverty need to go down? (Hint: The MDG goal is to cut the 1990 extreme poverty rate in Southern Asia in half.)
- 4. In which region(s) is the 2010 extreme poverty rate...
  - a. above the MDG target rate?
  - b. below the MDG target rate?
  - c. at the MDG target rate?