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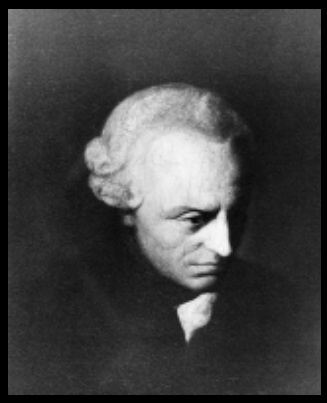
Possibility & Peril

Critical opportunities and challenges in domestic and foreign policy



Cornell Institute for Public Affairs

Mission Statement

As the academic journal of the Cornell Institute for Public Affairs (CIPA), *The Current* provides a platform for public policy discourse through the work of CIPA fellows and their mentors.

Editor's Note

This edition of *The Current* is a reality thanks to the commitment of a dedicated group of authors and editors who have labored diligently to explore some of the most critical issues in contemporary public discourse. The perspectives offered in these pages represent the culmination of the efforts of these contributors to add their vital and unique voices to the literature surrounding these critical issues. In this edition of *The Current* we are also proud to introduce two new sections. The first, *Policy Into Practice*, will provide a forum for Cornell Institute for Public Affairs graduates to discuss their varied academic, professional, and policy-making experiences. The second, *Cornell Institute for Public Affairs Profiles*, will provide brief depictions of the diverse experiences, insights, and intentions of current CIPA Fellows. As always, we wish to express our gratitude to all who have contributed their precious time and considerable talents to this edition of *The Current*.

Aaron Andersen

The Current reflects the diverse political, cultural, and personal experiences of CIPA fellows and faculty. The opinions represented are not necessarily the opinions of CIPA or Cornell University.

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Policy Into Practice

Cornell Institute for Public Affairs Profiles

On Duty

Ben Fitzpatrick

The most important feature of political philosophy is its ability to direct attention to the disconnect in society between moral principles and actual public policy. Rarely has a direct correlation been made between theory of government and government as it is empirically analyzed. Many of the ideals of rights and duties that form the foundation of the morality behind a particular system of government break down when taken out of the theoretical world. This has been true of monarchies, aristocracies and democracies alike. Yet the inability of societies to fully implement theoretical principles of government has not, and should not, stop us from both reflecting on the differences between our ideals and our reality, as well as working to bridge the gap between the two. For this reason, the concept of duty, as it relates to rights and moral principles within American society, is the topic of this essay.

Generally, within liberal political theory, all rights imply a corresponding duty.[1] Therefore, for example, if a nation decides to protect the right of individuals not to be harmed, it must enforce the duty of "nonmaleficence."[2] Without the enforcement of this duty, the right cannot be held up as a moral principle of the nation. American history is riddled with cases of rights being proclaimed by the majority without enforcement of the necessary duties to protect minority groups. For example, the 14th Amendment to the constitution, which guarantees equal protection of the laws, was enacted in 1868, yet it wasn't until 1954 that segregation was ruled unconstitutional. For the 86 years in between, the right to equal protection under the law was proclaimed within American society, while the duty to uphold that right for all individuals was nonexistent. It is not a coincidence that the decision in *Brown v. Board of Education*, which overturned segregation, is hailed as one of the nation's finest moments. For often, the greatest achievements in American history are times when the inconsistencies between proclaimed rights and enforced duties have been recognized and remedied. To do this, as will be argued below, represents societal progress.

The relationship between proclaimed rights and enforced duties in American society is currently deteriorating. This is one aspect of our capitalist culture that must always be checked. For duty is one of the rare aspects of our society that is unquantifiable. Just as it would be impossible to determine how much personal freedom of speech is worth, it is impossible to say how much money could over-ride a duty. This is because duties exist in a binary world; they are either fulfilled or not. If they are not fulfilled, then a moral principle has been violated. At all times it is imperative that our society and its institutions are led by moral principles. The challenge is determining where our duties remain unfulfilled in society. Once

that is accomplished, we must develop laws that reflect the necessary changes and build a society where these values are both respected and carried out.

In order to determine the unfulfilled duties within American society, it is necessary to recognize the rights that are, at least theoretically at this time, protected by the nation. Constitutionally, Americans are guaranteed certain rights such as the rights of speech, press, property, life, the right to be secure in one's home, the right to trial by jury, the right to bear arms, the right to vote, and the right to be treated equally under the law.[3] These rights provide the foundation for any theory of justice within American society. New rights have been added as the government has come to see the need to provide a higher standard of living for its neediest citizens. An example of this is the right[4] for elderly people to have adequate health care in retirement. This right was included in the Social Security Amendments of 1965. The corresponding "duty" that supported this "right" came in the form of increases in payroll taxes.[5] Given that only .8 percent of the elderly population in the United States does not have access to health care, it is fair to say that the right to health care in old age has been reasonably upheld.[6] The government's willingness to support the program's cost, roughly 450 billion dollars out of a total 2.3 trillion dollar federal budget,[7] helps to fulfill society's duty to this segment of the population. And yet, it is easy here to see the paradox between theory and the hard face of reality. Because government funding is finite, not all duties can be adequately addressed.

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The reality of scarcity of resources within the governments of nations leads to a fundamental discord between philosophy and public policy: prioritization of rights and duties. Theoretically, all rights and duties have equal weight.[8] By this principle, if any specific right is recognized, yet not upheld, societal justice is not attained. Yet in order to bring together theory and reality, the dimension of possibility must be added to the equation. Therefore, we can say that if a specific right is recognized, and it is possible for it to be upheld, then society is constrained by its corresponding duty. This view of duty has a number of advantages. To begin with, it views society as a progressive system. Many theories of government view a specific situation as an ideal end, which once attained, maximizes social justice. Yet history continually shows that the boundaries of social justice are defined by the standards of the time. If a government spends all its resources on upholding duties within its society, yet is unable to cover all theoretical duties, those not covered can be seen to represent the goals of society; progress being represented through their attainment. While the society can be said to be acting justly, given its constraints, it also has a moral imperative to strive for a future condition where currently theoretical duties continue to be addressed and enforced. In addition, this progressive view of rights and duties has no limit to what can be accomplished in the future, given that future rights are, at least in part, determined by what is possible within society.

Under this progressive view of rights and duties, there must be a framework to determine which rights can adequately be incorporated into government and society. This framework should use a number of factors, including resources, technology, as well as a measure of good governance. There are a number of conceptualizations put forward in philosophy which can be helpful in determining, fairly objectively, decisions based upon overall societal justice.[9] Discussion of these principles and there application to a progressive view of rights and duties would be helpful for the development of the theory, but for the present it is enough to say that to be compatible with a liberal concept of political justice, they must fulfill two principles:

1. Any right guaranteed to an individual must be compatible with a similar right guaranteed to all people

within the community (nation).

2. "Social and economic inequalities are to be arranged so that they are both; (a) reasonably expected to be to everyone's advantage, and (b) attached to positions and offices open to all."[10]

Therefore, using these principles, any right added as society progresses must "arrange" society in a way that, at minimum, advantages all,[11] and can be generally applied.

Rather than delve further into the discussion of which rights and duties **should** be incorporated into American government and society, it is easier, and likely more applicable, to examine specific rights that have in recent history been proclaimed within American society in order to determine whether the necessary duties have been enforced for the nation to live up to both the standards of justice and the moral imperative of progress. For this reason, the rights to education and health care will briefly be examined with respect to these principles.[12] By determining how effectively these rights have been upheld, as well as whether their content has expanded (progressed) through time, it will be possible to determine the weight that their corresponding duties truly have within American government and society.

The right to a decent education, while not enumerated in the Constitution, has been an integral part of American society for many decades. In 1948, the United States joined the United Nations in expressing the "Universal Declaration of Human Rights," which includes:

> Everyone has the right to education. Education shall be free, at least in the elementary and fundamental stages. Elementary education shall be compulsory. Technical and professional education shall be made generally available and higher education shall be equally accessible to all on the basis of merit.[13]

More recently, the "No Child Left Behind Act of 2001," reads as follows: "The purpose of this title is to ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality education..."[14] Finally, one of the current goals of the Department of Education is: "Strengthen the Federal commitment to assuring access to equal educational opportunity for every individual."[15] This shows that within American government, the idea of a right to education has been accepted, and steps have been put into place to enforce the corresponding duty (paying for and administering an adequate education system). Yet the actual results of education policy in the United States show that the challenge of guaranteeing a right to education has not been met with a commitment to the duty to ensure all children are being aided by the system. For example, 44 percent of children between the ages of 3 and 5 are in no early childhood educational program. Five percent of young adults in high school drop out each year. In 1999, only 77 percent of the population between the ages of 18 and 24 received a high school diploma. Eight percent of 16 to 19 year olds were neither in school or working. While these percentages may seem relatively small, they represent millions of children (the population under the age of 19 in the United States currently stands at about 80 million.[16]) In addition to this, the quality of education has not increased steadily in the recent past. Between 1988 and 1999, the average scaled score of 9 year olds in reading stayed the same. For 13 year olds, scores went up by .39 percent, and for 17 year olds, they decreased by .67 percent. The statistics for achievement in mathematics showed a similar trend.[17] While these are only two indicators of progress in education, they indicate that progress in education has, at the very least, not been steady. Given that, within both government and society, the right to a decent education has been expressed as necessary and possible, justice demands increasing educational funding to a point where it corresponds with the duty to provide for **all** children equally, and to ensure that the quality of education expands with the growth and development of society.

While education is a right that has been extended to all members of society, the right to health

care is guaranteed only to specific groups in the United States. Through Medicare and Medicaid, health care is guaranteed to all poverty stricken children, elderly, and disabled.[18] Yet 11.4 percent of children (8.4 million) in the United States do not have health insurance. 19.2 percent of children that live in poverty lack health insurance. This means that those children who need health care most (children living in poverty), are the least likely to have it. Specific minority children are also more likely to be without health care, especially African Americans and Hispanics. In addition, while Medicare and Medicaid rolls have expanded over the past years, the total number of uninsured has increased.[19] While the burden of fulfilling the duty to pay for health care for all disadvantaged children, elderly, and disabled is heavy (Medicare and Medicaid will cost a combined 475 billion dollars in 2005), [20] the fact that it has been accepted by society as both possible and necessary means that it must be enforced in a way that satisfies the two principles of justice. Unfortunately, the current health care system fails the second principle of justice in that it does not bring the guaranteed social and economic advantages to all people within the groups it covers. In order to comply with both the principles of justice and the progressive view of rights and duties, it is necessary that all needy children, disabled and elderly be covered through increases in Medicare and Medicaid funding, and that the right of health care expand in the future, when possible.

If a principle becomes universally embraced in society, democratic governance guarantees that eventually it will be represented in politics. Therefore, the moral shortcomings of any democratic government weigh equally upon its citizenry.

As can be seen from the above discussion, one of the main purposes of governments is to enforce duties within society in a way that complies with both a liberal theory of justice and a progressive view of rights. Often, the enforcement of these duties is through allocation of taxes to government programs. Therefore, a large part of the duty of citizens is fulfilled, with respect to governmentally upheld rights,[21] if their taxes cover the government expenditures necessary to pay for all programs needed to enforce all recognized and possible duties. Currently, the federal government has a 521 billion dollar deficit.[22] This represents a large portion of federal programs, and their subsequent rights, which have been determined to be both necessary and possible, but which have been degraded by the unwillingness of American government and society to fulfill the corresponding duty. An undeniable fact of the current situation in American government is that, in order to truly uphold the rights maintained by the government, taxes must be raised so that each citizen is in full compliance with his or her duty. This connection between the moral obligations of the citizen and his or her government is characteristic of representative government. For, if a principle becomes universally embraced in society, democratic governance guarantees that eventually it will be represented in politics. Therefore, the moral shortcomings of any democratic government weigh equally upon its citizenry.

In order to gain continuity in America between the theoretical justice of our proclaimed rights, and the actual justice of our enforced duties, new obligations will need to be imposed on the government and society. For both the lawmakers and the taxpayers are equally culpable for the disconnect between these principles. This disconnect is represented by the fact that specific rights, guaranteed by the government (education and health care are the examples cited here), are not being upheld for many of the most needy groups within society. In addition, continuing deficits show a lack of commitment to uphold the duties that correspond to the rights proclaimed throughout American society. These are commonly put forth criticisms of American government, but by framing them within the concept of duty, the moral necessity of action becomes apparent. While it is of-

ten difficult for political theory to make judgments on specific public policy, through the lens of a progressive view of rights and duties, it is obvious that America, as a government and a society, is not fulfilling its moral obligation to maximize justice for all its citizens and to expand upon the current set of rights. Still, a shift in policy towards fulfilling the specific duties necessary to uphold our proclaimed rights is all that is necessary to ensure societal justice. Using a progressive theory of rights and duties, societal justice is partially determined by what is possible. The justice of current actions can be determined by past performance only if there is continuity between the two. While it may not be possible to immediately uphold all citizens' rights to education, and health care, as well as pay down the budget deficit, a movement in the direction of better fulfilling these duties is morally required, and will greatly increase overall justice in American society.

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NOTES

[1] Kant, Immanuel Fundamental Principles of the Metaphysics of Morals trans. Mary Gregor. New York: Cambridge University Press, 1996.
[2] The principle of nonmaleficence is an obligation not to inflict harm intentionally.
[3] The Constitution of the United States of America, Amendments I, II, IV, VII, XIV, and XV
[4] it is important to note that the word "right" is being used with respect to the definition "that which is just, morally good, legal, proper, or fitting," as opposed to a definition that limits rights to a specific list of basic rights. Under this progressive theory of rights, possible rights are infinite and determined by societal need and available resources.
[5] Compilation of the Social Security Laws, Social Security online, http://www.socialsecurity.gov
[6] United States Census, year 2000, http://www.census.gov/
[7] United States Federal Budget, year 2004, http://www.whitehouse.gov/omb/budget/fy2005/budget.html
[8] Rawls, John A Theory of Justice
Harvard University Press, Cambridge Mass., 1971.
[9] Both a constructivist and a moral intuitionist approach would be adequate.
[10] The first principle is derived directly from John Rawls' first principle of Justice. The second principle is John Rawls' second principle of Justice.
Rawls, John A Theory of Justice
Harvard University Press, Cambridge Mass., 1971.
[11] It is reasonable to say that society must be arranged in a way that maximizes the well-being of the least well-off, but for the purposes of this discussion, a less stringent view of justice will not greatly affect the conclusions.
[12] Given that these have been generally accepted rights within both the government and society, the question of the possibility of their implementation, given our current state, will be assumed affirmatively, and will only be explored with respect to the expansion of the rights.
[13] United Nations Declaration of Human Rights, General Assembly resolution 217 A (III) of 10 December 1948. http://www.un.org/Overview/rights.html
[14] The No Child Left Behind Act of 2001, United States Government,
http://www.ed.gov/policy/elsec/leg/esea02/index.html
[15] United States Department of Education, www.ed.gov
[16] United States Census, year 2000, http:/www.census.gov/
[17] America's Children 2004, http://www.childstats.gov/ac2004/toc.asp
[18] Centers for Medicaid and Medicare Services, United States Federal Govenrment, http://www.cms.hhs.gov/
[19] Income, Poverty and Health Insurance coverage in the United States, US Census Bureau, 2003
http://www.census.gov/prod/2004pubs/p60-226.pdf
[20] United States Federal Budget, year 2004, http://www.whitehouse.gov/omb/budget/fy2005/budget.html
[21] The question of rights and duties that constrain people solely within society and not government, while important, is outside the scope of the current inquiry.
[22] United States Federal Budget, year 2004, http://www.whitehouse.gov/omb/budget/fy2005/budget.html

The Politics of Scandal

Ethical Breaches, the Abuse of Power, and the American Political System

Meredith Levine

Over the past thirty years, in seemingly rapid succession, a torrent of scandals has engulfed the political landscape.[1] Watergate is the embodiment of the modern political scandal, but Watergate was neither the first nor the last time the American people would witness its elected officials disgraced publicly. From Andrew Jackson's spoils system to Crédit Mobilier in 1872 to Teapot Dome in 1922-1923, scandal is one of the most pervasive elements in American history.[2] However, it is important to recognize that although the U.S. has always had its fair share of scandals, contemporary political scandals are not necessarily similar to or comparable with scandals in earlier periods. As Robert Williams notes, "In modern America, scandals rarely slip quietly away but rather they develop a life and momentum of their own which are hard to extinguish or deflect."[3]

Much of the literature seeks to explain the surge in scandals over the past thirty years, but many scholars have shied away from assessing the impact of scandal on the political system. There are those, however, like Suzanne Garment, who believe that scandals have created a "culture of mistrust." She notes, "Our mistrust has created political habits and institutions whose workings are almost sure to produce more scandal and more mistrust."[4] In contrast to Garment are those scholars who argue that scandals have little or no impact on America's political system. In fact, John Logue[5] and Mark Silverstein[6] each assert that one of the most striking features of scandal is its "general lack of long-term impact" on the political system.[7]

This inquiry fits within this debate but also endeavors to link scandal to larger questions about ethics and democracy. It is predicated on the belief that any political system that tries to function in an environment suffused with scandal faces great difficulties; it is borne out of the conviction that scandals have reached alarming proportions and have brought discredit to the political process. Thereby, I argue that scandals damage the form and character of the American political system by undermining the common good – one of the ethical underpinnings of democracy.[8] The discussion proceeds as follows: part one outlines the fundamental tenets of American self-governance; the second section connects the common good to democratic self-governance; the third part of the essay establishes a link between scandal and the abrogation of the common good; the penultimate section examines systemic consequences of scandal; and the paper concludes with a look at policymakers' reform efforts in this arena.

Foundations of American Democracy

Aristotle and his disciples articulated the idea that society should be governed by ethical principles

that are part of nature and can be understood through reason. As Sabato notes, early forms of government were predicated on "divine right," but these philosophical changes put humans on the road toward self-government. Many historians and political scientists believe that the roots of American self-governance can be traced to moral philosophical thought.[9] Certain principles such as the idea that government seeks to serve rather than impose upon ordinary citizens; that in the eyes of the law, all men are created equal; and that politicians should stand accountable to citizens, amongst many others, are grounded in classical ethical concepts such as autonomy and "benefit of all."[10] Derived from ancient philosophical thought and articulated by contemporary political thinkers, these principles provide the support structure for America's formal political institutions and also exist as *de facto* tenets of democratic self-governance. The common good is one such principle that underlies American democracy and has been adversely affected by scandal.

Scandals damage the form and character of the American political system by undermining the common good.

The Common Good

Belief in the value of a common good or a set of shared goals for society is a fundamental principle of democratic self-governance in the United States. The common good is a notion that originated over two thousand years ago in the writings of Plato, Aristotle, Cicero, and later in the works of Aquinas. The ethical foundation on which the common good rests is generally, the well being of all, and specifically, the requirement that the infrastructure of society is conducive to the social well-being and development of its individual members.[11] Moral justifications of the common good – shared by the Founders – comes from the Ciceronian belief (and later Bentham and Mill) that what is useful to the community had to be good for the individual members and the performance of the good by individuals produced the greatest possible individual and collective happiness.[12] Also, as Thompson suggests, political ethics within a democracy demands a general, rather than parochial perspective, and calls for action on public principles.[13] In this respect, it is the function of public authorities to arbitrate between competing interests *and* to ensure that the public good stands paramount to any personal interest.

Enlightenment thinkers such as Locke, Hobbes, and Rousseau, amongst others, incorporated the wisdom of the ancients in articulating their respective political theories.[14] The common good was of paramount importance to each of these theorists, although each interpreted the principle in a manner consistent with his particular line of thought. Locke embraced individualism and a limited government, whose functions must be restricted to specified, agreed-upon purposes (i.e. common good); whereas Rousseau strictly believed in the notion of a general will that should be protected by government above individual right.[15] However, their views were not entirely at odds. As Yves Simon notes, mutual consensus existed in the belief that public figures must uphold the common good and subordinate all private choices to it.[16] Hobbes took a similar view in arguing that the rights of individuals had to be consistent with rights of all others and the rights of all had to be determined by the consideration of the common good.[17]

In incorporating the theories of Enlightenment political thinkers, the Founders preserved the idea of a common good, balancing the public good with private rights and formalizing widespread citizen participation in elections. In Eisenstadt's formulation, in every age, each polity determines what role the public official should play in achieving the good society, and in America, elected officials became the stewards for achieving the good society by promoting the public welfare.[18]

Although the idea of a common good is not referred to literally in either the U.S. Constitution or the Declaration of Independence, evidence suggests that the Framers weaved the concept of the common

good into the American political structure. Most overtly, the Preamble to the U.S. Constitution states, "We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the *general Welfare*… do ordain and establish this Constitution for the United States of America." Albeit less explicitly construed, the system of American federalism reflects the principle of the common good, as well. By separating powers amongst three different branches of government and dividing powers across the local, state, and federal levels, the Framers ensured that no one leader's private interest would prevail at the expense of the common good. Thus, the "checks and balances" system offers tangible evidence that the Framers institutionalized a mechanism through which the common good would be not be infringed upon.

Although the Founders believed that the character of those entering government determined whether or not they would violate the public trust, they realized that a democratic system could not ensure the entry of the most virtuous people into political life.[19] James Madison was particularly preoccupied with faction-dominance, elite rule of government, and abuse of authority. In The Federalist No. 57, Madison asserted,

> The aim of every political constitution is, or ought to be, first to obtain for rulers men who possess most wisdom to discern, and most virtue to pursue, the common good of the society; and in the next place, to take the most effectual precautions for keeping them virtuous whilst they continue to hold their public trust.[20]

Scandal and the Common Good

Cicero employed his own definition of "the good" as *honestum* and "the bad" as dishonorable (*turpe*) to argue that nothing was less honorable than one who favored his "own high place and private interests" over "the safety and dignity of the country" (*patriae salus et dignitas*).[21] Because scandals generally involve the use of public office for private benefit, are motivated by the quest for personal political power at the expense of the many, and contribute to greater secrecy of public affairs, they are by definition not consonant with the idea of the common good for society. Sometimes, what is especially dangerous is an elected official that not only disregards the public good but also seeks to realign it with his or her personal needs.

For example, three types of illicit activity were involved in Watergate, including underhanded tactics to build up a huge campaign chest in order to assure electoral victory, the use of highly improper tactics to discredit opposing candidates, and the employment of illegal and unconstitutional means to undermine opponents of Nixon's policies.[22] Although Nixon patently denied any involvement in the scheme, a series of investigations would ultimately uncover "a concerted attempt by the President and his coterie of loyalists to use the highest office of the land to destroy political enemies and suppress dissent."[23]

Nixon's entire goal was self-preservation and to be certain, his behavior was more means-to-an-end Machiavellian than public good before private interest Ciceronian. What emerges is not merely Nixon's blatant disregard for the common good, but rather, his belief that his personal interests were aligned with the common good. As Bollens and Schmandt note, "What is…shocking is the fact that Nixon and his staff of personal devotees came to equate the political interests of this administration with the needs of the nation."[24] Silverstein agrees, saying, "Loyalty to the president was equated with loyalty to the nation and the reelection of the president became synonymous with the public good."[25] Because the common good in a democratic society involves officials acting on behalf of the citizenry at large and not for private gain, actions to disrupt the electoral process in order to maintain authority is an unambiguous abuse of personal power at the expense of the common good. Nixon, perhaps more than any other elected official, abrogated the common good to ensure personal ends.

Aristotle linked the common good to governance in stating that the "correct" form of government is the government that serves "the common good" according to the principles of justice ahead of the ruler.[26] Subsequently, Aquinas asserted that, "Law is nothing else than an ordinance of reason for the common good, promulgated by him who has the care of the community."[27] For these philosophers, as well as Madison, protection of the common good meant both ensuring that public office will not be used for private benefit and that such office will not be mobilized in pursuit of personal policy goals (if these goals are inconsistent with the common good).

Because scandals generally involve the use of public office for private benefit, they are often motivated by the quest for personal political power at the expense of the many, and contribute to greater secrecy of public affairs, they are by definition not consonant with the idea of the common good for society.

Concomitant to this understanding of the common good in governance is transparency in affairs of public significance.[28] Thompson notes that part and parcel of the public good is that citizens must have the opportunity to approve or disapprove of its leaders' political decisions.[29] As Markovits and Silverstein assert, politics is only legitimate if it takes place in public; hence, any attempt to escape from the strict rules of the political process is contrary to the common good.[30] Thus, the democratic process presupposes publicity because otherwise the process would produce policies that citizens have no opportunity to challenge. Thompson claims, "Spurious claims of privacy shield officials from needful scrutiny by a democratic public, and thereby subvert the democratic processes of deliberation and accountability."[31] Within a democratic political system, public affairs conducted in secrecy infringes upon informed consent. As the government moves in the direction of privatization of public issues, the potential for ethical breaches increases.[32]

Iran-Contra exemplifies the furtive employ of public office to further discrete policy ends. Iran-Contra was inspired by the desire to secure the release of American hostages, as well as to overthrow the Marxist-Leninist Sandinista government in Nicaragua (that the containment-oriented foreign policy establishment and the Reagan Administration had deemed hostile to U.S. interests). Reagan dealt arms for hostages, directed a secret and almost certainly illegal campaign to aid the contra insurgents, and then sought to cover up the scope of both operations.[33]

Although Iran-Contra did not concern the abuse of power for personal gain, it did involve opacity in public affairs to further the administration's policy. The diversion of funds to aid the contras, in direct violation of the Arms Control Act, and the refusal of the Reagan administration to inform Congress of its covert operations, were crimes of serious constitutional magnitude. Pfiffner asserts, "The secret attempt to fund the contras was in direct violation of public law and a serious threat to the Constitution in that presidential aides decided that what couldn't be accomplished through Congress [such as a provision allowing aid to the contras under the Arms Control Act] would be accomplished through secret means."[34] Williams notes, "…the scandal of Iran-Contra served both to discredit the Reagan Administration and to erode further public confidence in American government."[35]

Although little substantive evidence exists currently to support the claim, if proven true, President George W. Bush's military operations in Iraq could serve as evidence of an elected official covertly pursuing policy goals and eliminating truly informed consent.[36] Bush connected the necessity of war with Iraq with the common good of combating global terrorism. Yet, little intelligence has substantiated this claim. To

be fair, in matters of national security, Americans are often willing to check their informed consent at the door.[37] But the secretive nature of the Bush Administration, i.e., not immediately sharing intelligence reports with allied nations or the American public, could suggest something untoward is at work.[38]

Some scholars and pundits have suggested that Bush showed blatant disregard for the common good in pursuing a foreign policy that may have personal ends attached. Hypothetically, if Bush lied to the American public about Saddam Hussein's connections to al-Qaeda and his possession of weapons of mass destruction (WMD), many will assume Bush mandated the war in Iraq either to secure oil fields or avenge his father's inability to remove Saddam from power. If proven true, the clandestine nature and vague claims about terrorism will have eliminated the public's ability to make an informed decision regarding the war in Iraq. Paternalistic assertions regarding national security – that it is in the citizens' own interest to not know specifics – are more legitimate when there is imminent danger.[39] But justification based on a wide range of hypotheses is a serious perversion of the common good principle. It is patently unacceptable to exercise national security claims to validate concealment of violations of process, procedure, and law.[40] Elimination of informed consent skews citizens' resultant decisions and thus constitutes a violation of the common good. As Samuel Johnson notably asserted, "Patriotism is the last refuge of a scoundrel."[41]

Most modern political scandals, not just the ones mentioned here, involve the use of public office for private benefit, the use of public office to further personal goals, or secrecy and vague claims shrouded in a veil of national security rhetoric.[42] In rejoinder, one might argue that most of politics involves legitimizing personal preferences for the common good. The line of demarcation between policy ends as a reflection of individual interests and the outright abuse of the common good is often blurred. In the nebulous world of politics, where outcomes are not easily quantified, that distinction can be difficult to discern. Even the appearance, however, of illicit, clandestine means to further private political ends eventually may prove disastrous for the American political system.

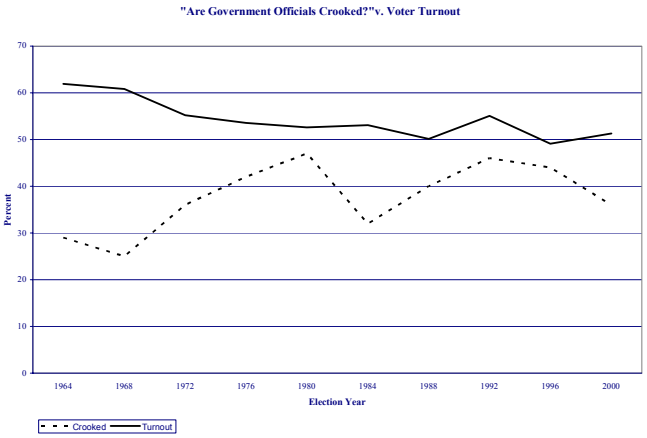
Systemic Consequences

Modern political experience suggests that politicians frequently exploit their position for private or partisan advantage.[43] And citizens react alternately with disbelief, indignation, indifference, and cynicism.[44] Archibald Cox, upon receipt of the Paul H. Douglas Ethics in Government Award, noted, "Confidence in the government is closely related to confidence in representative democracy and to its *sine qua non* belief in a common good. The link is symbiotic: a marked decline of belief in the working of self-government weakens, and if the decline continues, could destroy, belief in a common good."[45] When elected officials repeatedly act to further their own interests, the public becomes disenchanted with the political process. In a recent interview, Suzanne Garment said, "Scandal makes people less willing to place their trust in government or try to participate in it."[46]

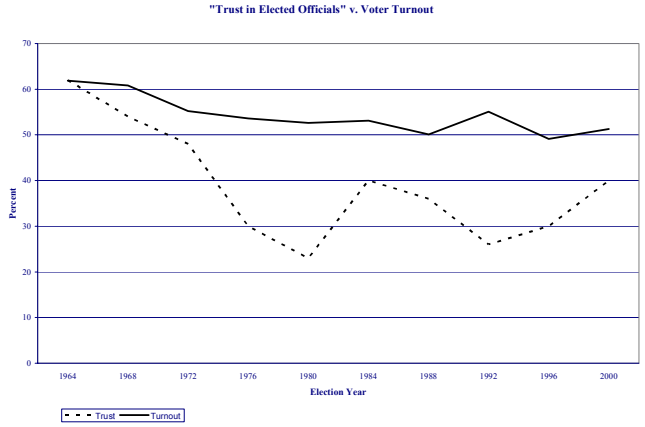
Participation in government has a particularly crucial relationship to all other social and political goals. Within democratic theory, it represents a process by which goals are set and means chosen in relation to all sorts of social issues.[47] Nie and Verba claim, "It is assumed that through participation the goals of the society are set in such a way as to maximize the allocation of benefits in a society to match the needs and desires of the populace."[48] As Cox notes, "The cynicism that accompanies the feeling of powerlessness discourages active citizenship; thus men and women drop out of the political process – they take no interest and cease to vote."[49]

Depressed voter turnout is considered by many to be indicative of decreased political participation.[50] Numerous scholars have linked the decline in voter turnout to the public's belief that elected officials pursue office to serve their personal interests.[51] While many factors have contributed to the decline in political participation, including weakened political parties and societal cleavages, amongst others, it would be remiss to ignore scandal's role in contributing to the problem. Data from the National Election Studies in-

dicates two trends: one, that as the belief that "politicians are crooked" increased over the past thirty-five years, voter turnout declined



and two, as citizens registered their decreasing trust in elected officials over the same time frame, voter turnout also declined.



This inquiry does not infer a direct causation between scandals and declined political participation. To be certain, American citizens do not identify scandals specifically as the reason for their increasing lack of political participation; the public often cites alienation and distrust as reasons for not voting or otherwise participating politically.[52] What is important to remember is that today's steep rise in public alienation is fed by incessant scandal, among other things.[53] Alienation and distrust are by-products of scandal, and inasmuch as these sentiments are linked to decreased political participation, there is most certainly a relationship between scandal and "dropping out of the process."[54]

The question of scandal has continued to plague voters into the late 1990s. Four in nine Americans (46 percent) identified "low ethical standards" as a major cause of "lowered public confidence in government."[55] Tolchin notes, "What upsets them most is the idea that "politicians pursue their own interests and careers…*at the expense of serving the people that elect them*."[56]

Conclusions

Scandal violates the public trust on many different levels but especially by illuminating elected officials' capacity to abrogate the common good. As Pfiffner notes, "Broader political crimes of the abuse of power undermine the very fabric of limited and constitutional government by using the power of government not merely for personal gain but for the more insidious ends of staying in power or undermining the political process."[57] When public officials disregard the common good – a fundamental principle of democratic self-governance in the United States – there is a disconnect between its leaders and citizenry. The public registers sentiments of apathy, distrust, and alienation, which ultimately lead to decreased political participation. Because the American political system functions on mass participation, scandal has precipitated a crisis. Scandal has undermined the common good principle, and in doing so, weakened the ability of the political system to function properly.

Since Watergate, a flurry of reform measures has been instituted to curb elected officials' ability to serve private purposes at the expense of the common good. Legislation, such as the Ethics in Government Act (1978) and the Freedom of Information Act (1974), were enacted, strengthening controls over lobbying and campaign finance, requiring disclosure of personal finances by public officials and opening up the political process to citizen scrutiny. These laws were accompanied by codes of ethics outlining standards of conduct expected of elected officials.[58] However, legislating conduct is extremely difficult, and the government is especially reluctant to impose limits on itself. Furthermore, as Garment notes, no matter how strin-

gent the rules and regulations are, "Some clever souls, ingenious Americans at work, will always figure out how to evade the rules."[59] Both Garment and Williams, amongst many others, believe that the reform agenda is a resounding failure. The rules did not encourage more virtuous men and women into the political system – scandals have only multiplied.

Scandal can never be entirely eliminated, but perhaps reformers are looking in the wrong place. The propensity for leaders to serve their private interest at the expense of the common good is as old as time itself, and which this paper has argued, has contributed to an erosion of the political process in the United States. Rather than serving the end by devising a practical mechanism for managing scandal and unethical behavior, perhaps legislators should focus on means-oriented policies – those that could engender greater political participation. As Archibald Cox noted, any compatibly pragmatic solution involves strengthening the government in ways that build confidence in the system and tends to revive the belief in a common good.[60]

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NOTES

[1] Scandals can be difficult to define because no two scandals are exactly alike and because each scandal occurs in its own political context. However, as Bollens and Schmandt note, definitions are especially important in the case of scandal "where researchers and commentators disagree among themselves as to the range of activities or behavior that is described by the term." (John C. Bollens and Henry J. Schmandt, *Political Corruption: Power, Money, and Sex* (Pacific Palisades, CA: Pacific Palisades Press, 1979), 14). One contextual definition is provided by Robert Williams: political scandals in the United States tend to involve the "use of public office for private benefit and/or the abuse of power in pursuit of policy goals." (Robert Williams, *Political Scandals in the USA*, (Edinburgh, UK: Keele University Press, 1998), 7). Scandals include all "acts that comprise a threat to the constitutional order and to the values of a democratic society" (Hahn et al. as quoted in Bollens and Schmandt, 15). Theodore Lowi's distinction between a procedural scandal and substantive scandal is also useful. A substantive scandal involves a breach of an actual norm i.e., taking money, bribery, etc., whereas the cover-up phase can be understood as procedural scandal. For example, the substantive scandal in Watergate involved burglary and conspiracy to violate campaign laws but the cover-up – the procedural scandal – ultimately brought Nixon down and doomed his administration to disgrace. (Theodore J. Lowi, "Foreword," in *The Politics of Scandal*, ed. Andrei S. Markovits and Mark Silverstein (New York: Holmes and Meier, 1988), viii)

[2] Garment, Suzanne Scandal: The Culture of Mistrust in American Politics (New York: Doubleday, 1991), 2.

[3] Williams, 1.

[4] Garment, 289.

[5] Logue, John "Appreciating Scandal as a Political Art Form, or Making an Intellectual Virtue of a Political Vice" (in Markovits and Silverstein, The Politics of Scandal, 261-262).

[6] Mark Silverstein, interview by the author, Ithaca, NY, 2 December 2003.

[7] For additional discussion on the nature of scandal and its rise in American society, see Holbrook and Meier, who ascribe improper conduct to human weaknesses or individual deficiencies. Thomas M. Holbrook and Kenneth J. Meier, "Politics, Bureaucracy, and Political Corruption: A Comparative Case Study Analysis," in Ethics and Public Administration, ed. H. George Frederickson (Armonk, NY: M.E. Sharpe, Inc., 1993), 28-46. Bollens and Schmandt disagree, contending that this position diverts attention from institutional defects and weaknesses that may contribute to the rise of unethical behavior in public life (Bollens and Schmandt, 22). In regard to the media's role in scandal, see Larry Sabato, who developed the "feeding frenzy" model to describe the behavior of the media. He claims that the media turns minor indiscretions of public officials into major stories, which creates an even greater demand for more titillating stories. Larry Sabato, "American Government: Continuity and Change," speech, Charlottesville, VA, 17 November 2003. Also see, for example, Robert N. Roberts and Marion T. Doss, Jr., From Watergate to Whitewater: The Public Integrity War (Westport, CT: Praeger, 1997), xvi. A final group of scholars attributes blame to the American public. On one side of the debate, some argue that scandals have not necessarily increased but that Americans have heightened sensitivities toward old patterns of acceptable behavior. On the other side are the scholars who believe that Americans have lowered the bar on acceptable behavior; that as long as a politician is doing a "good job," his/her ethical misconduct will be excused. For a detailed discussion of this aspect of scandal, see Williams, 4-5.

[8] In this analysis, American democracy should be taken to mean constitutionally-based, limited, representative democracy and not direct democracy.

[9] Sabato, Larry 17 November 2003.
[10] Nicholas Capaldi, The Meaning of Equality (New York: Hoover Press, 2001), 10.
[11] Peter N. Miller, Defining the Common Good (Cambridge: Cambridge University Press, 1994), 8. It must be noted, however, that conceptions of the common good have evolved over time. In its ancient form, the common good meant that the public good should prioritized over the private good, implying a possible divergence between private and public interests. In its Enlightenment incarnation, which the Founder relied upon, the interests of individuals and the community were ideally synonymous.
[12] Miller, 141.
[13] Dennis F. Thompson, Political Ethics and Public Office (Cambridge, MA: Harvard University Press, 1987), 96.
[14] Joshua Cohen, "Jean-Jacques Rousseau," in Classics of Political and Moral Philosophy, ed. Steven M. Cahn (Oxford: Oxford University Press, 2002), 514-515.
[15] Robert N. Bellah, The Social Contract and the First and Second Discourses: Jean-Jacques Rousseau, ed. Susan Dunn (New Haven, CT: Yale University Press, 2002), 266-285.
[16] See Yves Simon, "Democratic Principles," in Philosophy of Democratic Government (South Bend, IN: The University of Notre Dame Press, 1993).
[17] Miller, 142.
[18] Abraham S. Eisenstadt, "Political Corruption in American History: Some Further Thoughts," in Before Watergate, ed. Abraham S. Eisenstadt et al. (Brooklyn: Brooklyn College Press, 1978), 194-195.
[19] Roberts and Doss, Jr., 7.
[20] Alexander Hamilton, James Madison, and John Jay, "Federalist #57," in The Federalist, ed. Jacob E. Cooke (Middletown, CT: Wesleyan University Press, 1992), 384-385.
[21] As quoted in Miller, 23.
[22] Bollens and Schmandt, 48.
[23] Ibid., 47.
[24] Ibid., 48.
[25] Mark Silverstein, "Watergate and the American Political System," (in Markovits and Silverstein, The Politics of Scandal, 16).
[26] Aristotle, "Politics" in Classics of Political and Moral Philosophy, ed. Steven M. Cahn [1282^{b}14 (p. 248)].
[27] Aquinas, "Summa Theologica," in Classics of Political and Moral Philosophy, ed. Steven M. Cahn 334-335.
[28] Thompson, 147.
[29] Thompson, 17.
[30] Andrei S. Markovits and Mark Silverstein, "Power and Process in Liberal Democracies," (in Markovits and Silverstein, The Politics of Scandal, 6).
[31] Thompson, 17, 147.
[32] Frederickson, ed., 251.
[33] Silverstein, "Watergate and the American Political System," 34.
[34] James P. Pfiffner, The Modern Presidency (New York: St. Martin's Press, 1998), 212.
[35] Williams, 60.
[36] Suzanne Garment, interview by the author, Ithaca, NY, 26 November 2003.
[37] Thompson, 123.
[38] Garment interview by the author, 26 November 2003.
[39] Thompson, 150-151.
[40] Logue, 263.
[41] Ibid., 263.
[42] All scandals selected represent various aspects of subverting the common good, and although they all involve Republican administrations, this inquiry is not meant to have a partisan bent. Space limitation precludes extensive discourse on other scandals. To be certain, many of Kennedy and Clinton's alleged and proven misdeeds would quite clearly exemplify the undermining of the common good.
[43] Williams, 129-130.
[44] Bollens and Schmandt, 237-238.
[45] Archibald Cox, speech upon receipt of the Paul H. Douglas Ethics in Government Award, Chicago, IL, November 1995.
[46] Garment, interview by the author, 26 November 2003.
[47] Norman H. Nie and Sidney Verba, "Political Participation," in Nongovernmental Politics (4), ed. Fred I. Greenstein and Nelson W. Polsby (Reading, MA: Addison-Wesley Publishing, 1975), 4.
[48] Norman H. Nie and Sidney Verba, "Political Participation," 4.
[49] Cox, speech, November 1995.
[50] Susan J. Tolchin, The Angry American: How Voter Rage is Changing the Nation (Boulder, CO: Westview Press, 1999), 121-128.
[51] Ibid., 121-128.
[52] Peter Natchez, Images of Voting/Visions of Democracy (New York: Basic Books, Inc., 1985), 124-151.
[53] Garment, Scandal: The Culture of Mistrust in American Politics, 289.
[54] See also, for example, Robert D. Putnam, *Bowling Alone:* The Collapse and Revival of American Community (New York: Simon & Schuster, 2000), for an in-depth discussion on trust and cooperation to "make democracy work."
[55] Tolchin, 127.
[56] Ibid., 127.
[57] Pfiffner, 204.
[58] Bollens and Schmandt, 224.
[59] Garment, 298.
[60] Cox, speech, November 1995.

Public Support Dynamics in Public Policy

Prospects for Middle East Peace

Ahmad Maaty & Atul Nair

"What the public does is not to express its opinions but to align itself for or against a proposal. If that theory is accepted, we must abandon the notion that democratic government can be the direct expression of the will of the people. We must abandon the notion that the people govern. Instead we must adopt the theory that, by their occasional mobilizations as a majority, people support or oppose the individuals who actually govern. We must say that the popular will does not direct continuously but that it intervenes occasionally." –Walter Lippmann

Public support in the broadest sense is both the very engine of a democratic system and a sure means to stay in power under less savory political configurations. It has been a key factor behind bringing governmental bodies throughout history to implement popular initiatives from transgression on sovereign neighbors and colonial expansion, to modern-day tax cuts. Why then has the instrumental factor of public support among substantial stakeholders, as one may argue, been relegated to secondary status, when history demonstrates that in the realm of nearly any major political action lurks this potent beast with the potential to bolster or devastate—in equal share? As we will see however, this beast is in fact satiable and often self-inflicted due to lack of consideration or errors in substantiation and analysis. In addition, due consideration of the dynamics of public support, as we argue, could very well mean the development of effective policies toward a lasting Middle East peace.

Generally, public support refers to the substantively gauged net direction of sentiments widespread among a localized or national population, and by extension, the cultural implications and possible consequences of such a shared sentiment ranging from acquiescence to abetting and provision of resources. In a more specific sense, the nature of public support examined herein is characterized on the benefits side by a public cooperation conducive to satisfactory policy implementation, and on the blowback or fall-out side, by mass shifts in political orientations—with or without the component of armed mobilization, guerilla warfare, insurgencies and the *domestic* breed of what is often referred to as terrorism. Related activities such as assassinations, targeted attacks and isolated acts of violence, and religious cults and global or cross-border terrorism do not observe similar dynamics. For the former, this is due to their detached and unpredictable nature related only to the diversity of views and mental states of mind present in a given population, and the latter due to their nature as either isolationist or transient with no connection to any specified general public to be supported by. The understanding is not only that the phenomena covered by our working model maintains a varying yet omnipresent reliance on societal sentiments that define public support, but that it is generally accountable and even predictable, as has been the case throughout history.

An illustration of this can be observed in an underground English language manual of urban guerilla warfare and munitions production, Fighting in the Streets, authored by the pseudonym-de-guerre *Urbano*. In its conclusion, the exhaustive field-guide of armed resistance offers the following provision, in spite of, or as asserted herein, because of such movements' reliance on public support.

"It must be realized from the outset

that a guerilla force will not be able to topple a dictator or expel a foreign invader by itself. No matter how well-organized or well trained, small bands of urban fighters will not be able to stand head-to-head with the trained professional armed forces of the dictator or the occupying power. Because of this, the guerilla forces serve as a means of weakening and harassing the enemy…The goal of the guerilla is to prove to the population that the regime is not invulnerable, and that by a concerted effort the people can topple the regime and expel the invader."[1]

A preliminary review of major historical events may readily provide instances where the public support factor is starkly visible. In particular, the three aforementioned follies of lack of consideration, error in substantiation or error in analysis, can be demonstrated by simple examples plucked from the 20th century alone. Consider the 1917 Bolshevik Revolution in Russia, which pitted the insurgent masses that would eventually come to lead Communist Russia and the U.S.S.R. against the ruling Czar Nicholas II. Due to several key factors behind the unrest, the masses had come to demand from the monarchy a constitution. By the time the Czar finally conceded to the creation of a constitutional monarchy, the beast had become insatiable and demanded nothing short of his head and those the imperial household; a clear example of an error in *substantiating* public support.

History demonstrates that in the realm of nearly any major political action lurks this potent beast with the potential to bolster or devastate.

The 1953 CIA coup of elected Iranian prime-minister Mohamed Mosodeq had been proposed by the British amid the threat of his nationalizing Anglo-Iranian Oil, carried out by the Eisenhower administration and the Dulles brothers amid the perceived threat of his turning Iran communist and, finally, rubber stamped by the Shah of Iran himself amid the prime-minister's rising popularity. A smorgasbord of miscalculation on behalf of all three involved parties, the elimination of the popular leader had squelched the sentiment of the masses with no buffer between them and the autocratic Shah. A reality which left little option for more accurate representation and political participation than a decisive grass-roots insurrection, ushering in the 1979 Islamic Revolution and Ayatollah Khomeini, who as it turned out espoused bitterly anti-Western views—due in no small measure to the post facto discovery of the West's documented involvement in Mosodeq's toppling. By extension, the U.S.'s harboring of the deposed Shah had led to a direct response in the Iranian hostage crisis; a shining example of error in the *analysis* of the events of 1953 and their likely effect on public support in Iran.

Finally, the U.S. involvement in the Lebanese civil war which led to the deaths of 241 Marines as a local faction plowed 12,000 pounds of dynamite into the Beirut Battalion Landing Team headquarters in 1983 is also worth noting. By intervening with albeit good intentions in a chaotic civil conflict involving several parties and armed factions roughly corresponding to Lebanon's 19 domestic religious sects, plus the PLO and the Israelis, the U.S. unknowingly walked into a firestorm without a compass. As then New York Times Middle East bureau chief Thomas Friedman accounts in From Beirut to Jerusalem, "The Reagan Administration policymakers apparently believed that they were supporting the right of a government to extend sovereignty over its national territory…[but] turned the Marines from neutral peacekeepers into just another Lebanese faction[2] … Washington was helping to inflict real pain on many people, and there would have to be a real price to pay for that."[3] In particular, by using U.S. Navy ships in defense of Lebanese Christian forces during the battle of Souk el-Gharb[4] and provoking direct retaliation from the several other warring factions, the U.S demonstrated the effects of a basic *lack of consid-*

eration of public support.

The same is not usually true for the consideration, substantiation and analysis or public support at home within the United States. From the WWI propaganda generating Creel Commission, that the Woodrow Wilson Administration established in 1916 that turned a pacifist and isolationist public angry and yearning for the destruction of Germany,[5] to the Red Scare, public support is often pursued at great lengths. Overcoming the "sickly inhibitions against the use of military force," as the Reaganite intellectual Norman Podhoretz defined the Vietnam Syndrome, [6] became priority for various administrations as it proved central to the option of engaging foreign policy questions with military solutions. As Noam Chomsky notes in Media Control: The Spectacular Achievements of Propaganda,

> "The issue was, do you support our policy? But you don't want people to think about that issue. That's the whole point of good propaganda. You want to create a slogan that nobody's going to be against, and everybody's going to be for. Nobody knows what it means, because it doesn't mean anything. Its crucial value is that it diverts your attention from a question that *does* mean something: Do you support our policy? That's the one you're not allowed to talk about. So you have people arguing about support for the troops? 'Of course I don't *not* support them.' Then you've won. That's like Americanism and harmony. We're all together, empty slogans, let's join in, lets make sure we don't have these bad people around to disrupt our harmony with their talk about class struggle, rights and that sort of business. That's all very effective. It runs right up to today." [7]

The American people witnessed this much during the 2003 invasion of Iraq, where disturbing images from the frontlines and those of US troops in coffins were censored or eliminated altogether.

As a whole, it can be observed that while the United States clearly understands the significance of promoting or *manufacturing* consent and public support at home, while its record of miscalculating, mismanaging or completely neglecting public support within the nations its foreign policy affects most remains blemished. As we will continue to observe, public support and its dynamics have proven among the most important factors contributing to the overall success of a given public policy goal.

Among the contemporary examples of the weight of public support as a key factor in public policy and active engagement are the case studies of both Islamic extremism in Egypt—particularly during the 1990s—and the U.S.-led invasion of Iraq in 2003. Parallels and policy implications can then be drawn towards the approach to mitigating one of the world's most durable conflicts, that between the Israelis and Palestinians.

EGYPT

We may consider possible lessons from Egypt, a nation that has seen the dominance of Islam within its borders due to the very dynamics of public support, as the Muslim conquest of Egypt under Amr ibn al-As in 639 AD had been welcomed by the local Monophysite Christian (Copt) population, who cooperated with the new conquerors against their Byzantine overlords and helped open the country to them. [8] Since then, Muslim movements in modern Egypt and the extremist variety of the phenomenon have been for many reasons among the most significant issues in the study of both Middle East politics as well as modern Islamic movements. Muslim extremism in Egypt remained an offshoot of the Islamist movement's evolution that dates back over a century, altogether a product of its changing times yet with the indelible common end of reclaiming their nation from western influence. Several significant events and factors in Egypt's political, social and economic environments have either fueled or stifled Islamism, and by exten-

sion, Muslim extremism. Domestic public support is one of these factors.

We focus our scope of analysis on the 1990s. The decade prior had seen the nation's Islamists (that weren't already imprisoned or hanged) make their way to Afghanistan to fight Communism, making key contacts, building networks and radicalizing their respective movements further. Upon their return back to Egypt, things began to change. All along, the non-violent Muslim Brotherhood began countering the government's ineptitude by staffing syndicates and professional unions, mobilizing student activism and enjoying full public support while embarrassing Hosni Mubarak's regime. After twelve years of relative peace, Mubarak and his heavy handed security apparatus finally cracked down on all Islamists by 1992, indiscriminately arresting, torturing and killing them off. In A Portrait of Egypt: a Journey through the World of Militant Islam, author Mary Ann Weaver illustrates the state sponsored crackdown:

> "Not even in the worst of times—when Sadat was assassinated, for example—had there been anything like this. It went on night and day, for five weeks. By the first evening, the idea of collective punishment was the defining line: they would arrest all those who were bearded and young, their mothers and fathers, their children and wives. *Babies* were even taken in. And children less than ten years old were herded into police stations and tortured, to pressure their fathers to turn themselves in. Women were tortured with electroshocks and beaten in the streets—dragged by their hair after their *hijabs* were savagely torn off their heads."[9]

According to Human Rights Watch, the number of Islamists in Egyptian jails in 1994 was over twenty thousand—as opposed to some six thousand the previous year. With this, the *Azhari* Sheikh Omer Abdel Rahman's *Gamaa Al Islamiyya* and Ayman al-Zawahiri's Islamic Jihad intensified their terror campaigns with the former attacking from the bottom up with tourists, while the latter primarily targeted state officials (Jihad being responsible for the assassination of Anwar Sadat, for which both Rahman and al-Zawahiri were tried and acquitted). It was by the late 1990s, losing its war against the state, that the militant movement called for an unconditional cease-fire, with its leaders Sheikh Omar jailed in the US and Ayman al-Zawahiri exiled to Afghanistan (where the seeds for the September 11th attacks were planted)[10]. It was months later, on the morning of November 17th, 1997, that the bloodiest attack in Egypt's modern history took place at the Temple of Hatshepsut in Luxor, leaving fifty-eight foreign tourists dead.

"It was the sheer savagery of the attack that no one was able to comprehend,"[11] describes Weaver. Soon after the battle escalated to the massacre at Luxor, it was clear that extremist violence in Egypt was no more; going out with a final bang. What may be noted is that an ongoing war against the state was not sustainable, at least, and may well have been stopped entirely, at most, due to the disposition of the Egyptian

populace toward violence—even toward an unscrupulously heavy-handed state. In the end it was public support, or the lack thereof, that dealt Egyptian terrorism its final blow.

> "By the late 1990s the militant movement itself had been largely contained, reduced for the most part to scattered clashes with the security forces in remote rural areas, far from the political centers of power in Cairo. Heavy-handed police tactics, abetted by the average Egyptian's aversion to violence in the name of Islam, had ensured the armed movement had only a limited impact on society at large. Even the horrific slaughter of foreign tourists at Luxor, in which students again played a significant role, must be viewed more as the endgame of the militant threat rather than the start of an effective *jihad* against an unbelieving state."[12]

In sharp contrast to the breed of armed resistance in Egypt, is the Lebanese Hizballah's success in eventually bringing about Israel's withdrawal from the 17-mile southern strip during the summer of 1999 that ended the 22-year Israeli occupation of Lebanon. Hizballah was among the world's best examples of guerilla disciple, focus and organization. Their modus operandi had been secrecy of their membership, full popular support and the avoidance of civilian casualties—opting instead for the IDF forces and installations that illegally occupied their nation. Their reward for their strategic struggle, aside from liberation, was recognition from Kofi Annan, the United Nations and the international community (minus the US and Israel) as a legitimate resistance group, with popular Lebanese support from all local religions securing them 6 seats in the Lebanese Parliament shortly afterwards. Not only was the public support they secured vital for their success, it went on to dictate how the national power structure would engage them in the future, which has been a reluctant approval. As we have seen in Egypt, not only was the public support that the armed factions were unable to secure key to their failure, but it further enabled the government to crush them with moral impunity.

The Egyptian government's prolonged war with armed factions; its eventual reaction to the publicly supported Islamist movement at its height, and immediate reaction against the rise of militant Islam in particular can be largely attributed to its error in *consideration* of the public support such movements enjoyed, while conversely, the eventual collapse of the militants' armed movement can be largely attributed to their error in *analyzing* the impact on public support of their savagery at Luxor.

Even the October 2004 incidence of terror attacks in the Sinai resort town of Taba which left thirty four tourists dead (of which eleven were Israeli)—despite the fact that such targeted attacks would not necessarily fall under the scope of the public support model as mentioned earlier—generated broad public condemnation. Egyptians of all political persuasions and dispositions toward the Israeli Occupation of the Territories, even as the ten days prior had witnessed the Israeli army kill 110 Palestinians and wound 400 in Gaza, shared the belief that legitimate resistance should be "confined to the conflict zone it is part of and certainly not come near innocent civilians."[13] Everyone from parliamentary opposition parties to student groups were unanimous in their condemnation of the terror attack. A hypothetical attempt by a particular group to mobilize support within Egypt for sustained attacks of similar nature

...a shift in public support holds the key to disable the perpetuating forces of terror attacks and occupation and military strikes.

would be met with outright rejection, facilitating their swift capture and subsequent path to justice.

IRAQ

Saying the United States "will not be intimated by thugs and killers," President Bush gave Iraqi President Saddam Hussein and his sons a 48-hour ultimatum: Leave the country or face military action. The March 17th 2003 speech marked the end of American patience and reliance on weapons inspections called for by UN Security Council Resolution 1441 passed in November 2002. It also marked a nearly eight month long effort to convince Americans and the world that Saddam Hussein posed a threat to the world. During this period, the US administration articulated arguments that proved the serious nature of the threat. These threats included mobile biological labs, aluminum tubes, and vast pre-Gulf War I intelligence of Iraq arsenal that was believed to be intact; even through an intensive weapons inspections program implemented after the 1991 Gulf War. Regardless, the Bush administration conducted an aggressive campaign for war, but failed to discern key milestones in their campaign in Iraq, secure global and regional support and accurately understand Iraqi society and the dynamics of local support. They did, however, readily accept as a foregone conclusion the warm reception they were to enjoy.

As events unfolded in Iraq, many concerns were raised about pre-war intelligence, particularly the notion that Iraqi people would greet American as liberators. Many administration officials used the information provided by Ahmed Chalabi the leader of the Iraqi National Congress (INC), a group of exile Iraq leaders. Ahmed Chalabi has been convicted of bank fraud in Jordan, symbolizes in many ways what is wrong with the US invasion of Iraq. The INC and Chalabi passed on rosy intelligence to Washington about Saddam Hussein's weapons of mass destruction and, interestingly enough, ideas that American troops would be greeted as liberators when they landed in Iraq. Hawks within the Bush Administration eagerly accepted these claims peddled by Chalabi partly due to overtones made by Chalabi as an Arab friend to Israel. Chalabi provided the Bush administration comfort that support of the Iraqi people is on their side. The Administration used the misinformation given by Chalabi to mobilize support from the American people and the world. This acceptance by certain administration officials was against the CIA best estimates that Chalabi was a "bullshitter;" surprisingly German intelligence also classified Chalabi as "fabricator."[14]

> Senior Bush Administration officials repeatedly stated that U.S. troops would be welcomed by Iraqis as liberators and implied that establishing security would be a quick and relatively painless operation. Vice President Cheney, for example, asserted before the war, "I really do believe that we will be greeted as liberators... The read we get on the people of Iraq is there is no question but that they want to get rid of Saddam Hussein and they will welcome as liberators the United States when we come to do that." (Meet the Press, 3/16/03) …In large part because of its reliance on these mistaken assumptions, the Administration failed to develop post-Saddam plans and was surprised by the level of violence that ensued.[15]

This reliance on false information proved costly to establishing a peaceful transition government, particularly due to the significance of the public support factor as it pertains to all forms of military activity.

"Major combat operations in Iraq have ended. In the battle of Iraq, the United States and our allies have prevailed. And now our coalition is engaged in securing and reconstructing that country."[16] With this, the Bush administration marked an important milestone of the second war with Iraq. Despite the criticism of the Administration choosing May 1st 2003 as a transitional point during the conflict; the nascent steps of

the administrations' democracy in Iraq had taken the form of demonstrations, a few weeks earlier. Hundreds of thousands of pilgrims made their way to the former banned Shia holy city of Karbala. Iraqi Shiites demanded a more central role in Iraq's future; as the Bush administration had underestimated the Shiites' organizational strength and were not prepared for the possible rise of an anti-American movement.[17] The impetus for that change came from the followers of the late Ayatollah Mohammed Sadiq al-Sadr who now follow his son Muqtadar – is consolidating political power in opposition to other Shia leaders[18] Muqtadar al-Sadr, known to be an ardent opponent to American occupation, would consistently impede American goals in Iraq. However, the ability of al-Sadr to thwart American agenda would not be possible without the support of the Iraqi public. His power was achieved as a result of the actions of the American Coalition Provisional Authority.

Demonstrations and eventually armed resistance by al-Sadr through his newly formed Mahdi army would acquire the necessary attention of the American military. These incidents help to depict the importance public support of Muqtadar al-Sadr and his methods helped to rally more support for the nascent insurgency. The trouble began when Administrator L. Paul Bremer III of the Coalition Provisional Authority closed down al Sadr's anti-occupation newspaper, *al-Hawza*, sparking waves of mass demonstrations. Bremer elevated the stakes by sending Coalition forces to surround al Sadr's house near Najaf and arrested his communications officer. The arrest sparked further demonstrations in Baghdad, which the Iraqi army responded to by opening fire and allegedly killing three people, these deaths provoked April 4th's bloody demonstrations. At the end of the day, Muqtadar al-Sadr called on his supporters to stop staging demonstrations, "because your enemy prefers terrorism and detests that way of expressing opinion" and instead urged them to employ unnamed "other ways" to resist the occupation, which led to very dangerous and destabilizing insurgency.[19] The initial events surrounding American attempts to shut down *al-Hawza* and perceivably stifle local sentiments of dissent, helped to solidify not Muqtadar al-Sadr commitment to opposing the Americans, but rather that of the Iraqi populous, giving him both a flood of converts and a near carte-blanche to escalate his means of resistance free from backlash. Although an increasingly popular position in an occupied country, the provocation had been fully used this to al-Sadr advantage. By actively opposing the US government Muqtadar al-Sadr helped to buoy his support amongst the Shia majority population.

These events then culminated in various standoffs that helped to solidify public support against the Americans due to increased use of heavy-handed tactics. These culminated in bloody fighting, eventually leading to various fire arrangements with Muqtadar al-Sadr. For each cease fire agreement and commitment to fully disarm, al-Sadr did little to stop the violence. Ultimately, in this chaotic situation, authority and the achievement of policy objectives had not been promoted by the sum of military power, but by the respective support from the civilian population. This was demonstrated by Muqtadar al-Sadr's forces who took over a mosque, in a bold move, after Ayatollah al Sistani left Najaf. Impressively, a few months later, a permanent ceasefire was negotiated by Ayatollah al Sistani to reduced violence. This example shows in clear terms that action will happen, because of the spiritual leaders' use of public support and cooperation to effect change. This results from their possession of public good will and authority, much to the chagrin of the Americans,

who have not earned public support. Through the use of public support, Muqtadar al-Sadr received devotion and respect from his followers; pursuing his goal of expelling the American occupation while carefully toeing the line and operating a safe distance away from clashing with far more influential leaders like Ayatollah al Sistani.

This publicly supported insurrection can be to large extent attributed to the Bush Administration's error in *substantiating* public support within Iraq, both during the buildup to the invasion and particularly during the post "major combat operation" phase of the war, in which the deaths of 1,084 US troops were sustained.[20]

In contrast to the US occupation in Iraq, one could consider the US occupation of Japan 50 years earlier. The unconditional surrender of Japan after its WWII defeat had brought about the dissolution of its empire and deprivation of all territories it had seized by force, in accordance with terms laid down by Allied Forces at the Potsdam Conference.[21] The US occupation attempted to bring forth "a peacefully inclined and responsible government,"[22] and under the command of Gen. Douglas MacArthur, demilitarization, democratization and decentralization were sought and achieved. Despite such perceivably heavy and immediate reforms, many not unlike those that characterized the US occupation of Iraq, the defeated Japanese population was largely and unwaveringly welcoming to their American occupiers—a product of their age-old honor code which affirmed that death and defeat accompany one another (mere occupation, in such a light, had been deemed a clemency). With a comparison to Japan, the absence of both this cultural distinction in occupied population and the fact that the unpopular war against the US-led coalition that preceded the occupation did not instill in the populace an invasive sense of defeat, should have braced the US for the achieved result.

The Bush administration conducted an aggressive campaign for war, but failed to discern key milestones ... and accurately understand Iraqi society and the dynamics of local support.

Finally, our analysis makes possible the application of these lessons toward securing a long-term peace in the Middle East.

ISRAEL- PALESTINE

Peace proposals are nothing new to Israel. Aside from Egypt's historic 1979 Camp David peace with Israel and the breakthrough 1993 signing of the Declaration of Principles on the White House lawn, however, peace proposals *accepted* by both parties are sadly missing from the landscape. Peace treaties had been offered one after another since the early 1970's when Egyptian President Anwar Sadat's widely unheard of 1971 full peace treaty had been rebuffed by Israel and not even deemed newsworthy in the US. Only after the 1973 Yom Kippur war was he taken seriously, and even then his 1979 offer presented a full peace treaty between Israel and Egypt, Syria, Jordan and the PLO, which Israel had reduced only to Egypt. Furthermore it was nearly coerced by President Carter, as Menachem Begin resigned as Prime Minister shortly afterwards, to live the rest of his days in seclusion and depression, while Sadat went home to face backlash and assassination. In 1976 when Syria called for a special session of the UN Security Council following the war, Israel refused to attend. The PLO had offered peace in 1977 and November 1978 only to see it rejected outright. In 1982 Saudi Arabia, Iraq, Syria, and Jordan all offered peace, and were all ignored. When Yitzhak Rabin reluctantly proceeded to make peace with Yasser Arafat through Oslo and on to the White House, his successors made sure it would never fly, which had been reflected in Arafat's noncooperation (or mere inability) toward preventing terror attacks. By 2000, Israeli Prime Minister Ehud Barak was ready and willing to achieve peace with the Palestinians, offering more than any of his predecessors and winning the approval of the US, Saudi Arabia,

Egypt and many nations willing to jump at the rare opportunity, but fell short in sustainable border and settlement issues among others. Arafat refused to sign. More recently, President Bush's Quartet-backed Road Map of 2003 has also fallen by the wayside.

With negotiations not a serious option, the only other route left for the Palestinians is active resistance and the advancement/ continuation of terrorism against Israel (already concurrently with most peace talks), each invoking heavy-handed retaliation and retribution from the Israeli Defense Forces—a never-ending, perpetual cycle. The cycle had grown perceivably desperate enough to warrant the construction of a massive separation barrier through the West Bank. It may very well be possible—likely even—that a shift in public support holds the key to disable the perpetuating forces of uprising, terror attacks, occupation, and military retribution.

As we have seen, a key factor in effectively eradicating home-grown terrorism is targeting the support or acquiescence of the *public* towards the practice. Such a shift would effectively transform the act of violent resistance and terror from what was once a necessary, even romantic act of heroism and self-sacrifice for the sake of ones homeland and posterity in the eyes of a majority of the population from which it emerges, into a reviled aberration, a criminal act of excess, horrific and destructive. Conceivably, this would require only a simple tactical move. In effect, something that would deem valid the term "destructive"—that is, something that is in fact being destroyed by such acts; something to lose. Something that would resemble a bargaining chip that would up the ante into an environment where there is undeniable gains at stake. It is what Egyptian President Anwar Sadat had within reach in 1977 that allowed him to visit Israel and consider becoming the first Arab leader to recognize and secure peace with the Jewish State by 1979. In that case was the return of the Sinai to the sovereignty of Egypt, occupied by Israel since 1967. Although proven less than satisfactory as a succesful bargaining chip capable of earning mass public support as it turned out, at least Sadat would accept nothing less. With *no* bargaining chip, any unilateral steps toward peace before a hostile public would mean failure at best, and assassination at worst. As the late Chairman Arafat understood very well, any concluded peace agreement that shirked issues central to the public he represented would not only be difficult if not impossible to enforce, but would likely result in his own death at their hands. Enforcement and retribution aside, such an agreement would simply be insufficient for use as leverage toward any commitment to cease hostilities and terror attacks—rendering the entire ploy useless. He would not repeat Sadat's mistake, for while securing peace with Israel and regaining the Sinai, he could not move his people in the same direction nor fully use the final status of the peace agreement to quell his domestic and regional opponents toward a favorable reception.

> "Little by little the adulation that had greeted Sadat's actions in 1973 and 1977 turned to contempt for his style of life and that of his kin, for his indifference to public opinion and for his neglect of his Arab brethren in favour of closer ties with the United States and Israel. Had the Israelis been more generous toward Egypt and the Palestinians, had Begin not been so intransigent, Sadat might have kept some of the glitter on his image." [23]

Israel's bargaining chip for the Palestinian people? The one likely step that could mean the end of terrorism and the cessation of the active slaughter of civilian Israeli lives by means of crippling the passive acquiescence and active support of the public towards the morbid practice would be to effectively offer the people a high price for terrorism's existence; a price higher even than the lives of loved ones they painfully witness into bloody demise. That can only be a just peace where they and their children may live unmolested, with a sovereign government reflecting national identity and self-determination. Only under such a premise may the tides turn, and only under such a promise could any Palestinian leader face his people and

attempt to dismantle existing means for resistance, the only source of dignity left for a disenfranchised and desperate nation—aided by a public with something to lose and the anticipation of concluding one of the world's last military occupations.

The philosopher Santayana wrote once that "Those who cannot remember the past are condemned to repeat it" and someone else, forever known as Anonymous, added that "every time history repeats itself the price goes up." With the lessons of history that pertain to the dynamics of public support within public policy observed and analyzed, such an assertion can be subscribed to with little reluctance. Drawing from the events of the 20th century alone, it can be deduced that where the very reaction of the public, and the direction and magnitude of such a reaction in particular is improperly considered, substantiated, or analyzed, the probability of failure for the given objective, campaign, or status quo increases in insurmountable bounds. While the jury may still be out on whether or not the *price* goes up each time, it can at least be accepted that the luxury of both cumulative historical experience and hindsight at the disposal of today's policymakers would further deem such wanton repetitions unconscionable before mankind and posterity—leaving a more *civilized* reality to be mulled by historians of tomorrow.

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NOTES

[1] Urbano, Fighting in the Streets. Barricade Books Inc. Fort Lee, NJ 1991, pg 128

[2] Friedman, Thomas L., From Beirut to Jerusalem. Anchor Books, New York. 1995. pg 200.

[3] Ibid., pg 204.

[4] Ibid., pg 200.

[5] Chomsky, Noam, Media Control: The Spectacular Achievements of Propaganda. Seven Stories Press, New York, 1997. pg 7.

[6] Ibid., pg. 28.

[7] Ibid., pg 20-21.

[8] Lutfi, Afaf and Al-Sayyid Marsat, A Short History of Modern Egypt. Cambridge University Press, Cambridge, UK. 1985 pg. 1.

[9] Weaver, Mary Anne, A Portrait of Egypt: A Journey Through the World of Militant Islam, Farrar, Strauss and Giroux, New York, 1999, pg 148.

[10] Al-Zawahiri is a physician and the founder of the Egyptian Islamic Jihad. This organization opposes the secular Egyptian Government and seeks its overthrow through violent means. Al-Zawahiri is believed to now serve as an advisor and doctor to Osama Bin Laden and is currently thought to be in Afghanistan. Ayman Al-Zawahiri has been indicted for his alleged role in the August 7, 1998, bombings of the U.S. Embassies in Dar es Salaam, Tanzania, and Nairobi, Kenya, and is alleged to have masterminded the terror attacks of September 11th.

[11] Weaver, pg. 246.

[12] Abdo, Geneive. No God but God: Egypt and the Triumph of Islam, Oxford University Press. 2000 pg. 136-137

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[14] Thomas, Evan and Mark Hosenball. "The Rise and Fall of Chalabi: Bush's Mr. Wrong" *Newsweek* May 31 2004 pg 26.

[15] Senate Democratic Policy Committee "Bush Administration's Poor Planning for Post-Saddam Iraq Increases Risks And Burdens Borne By U.S. Troops" April 8, 2004 http://democrats.senate.gov/dpc/dpc-doc.cfm?doc_name=tp-108-2-104.

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[20] Casualties sustained between 5/1/03 and 11/20/04, www.antiwar.com/casualties/.

[21]The Columbia Electronic Encyclopedia, 6th ed., Columbia University Press, 2004.

[22] Ibid.

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Selective Foreign Aid

Some Countries Left Behind

H. Aaron Levy

In 2003 the Bush Administration created a new source of development assistance named the Millennium Challenge Account to be managed by the new Millennium Challenge Corporation (MCC). The MCC's stated goal is to encourage economic growth and poverty reduction in developing countries. Inspiring the MCC is a relatively new theory that aid is most effective when given to countries with good policies and strong institutions.[1] To ensure that aid is allocated to the countries with the best relative policies and institutions the MCC ranks candidates with 16 indicators (see TABLE-1) and allocates aid to the best performers. According to Secretary of State Colin Powell, the chair of the MCC board of directors, "The MCC reflects a new international consensus that development aid produces the best results when it goes to countries that adopt pro-growth strategies for meeting political, social and economic challenges."[2] In development economics jargon, this "new international consensus" marks a significant shift in the way aid is disbursed and allocated, from *conditionality* to *selectivity*.

TABLE-1: Eligibility Criteria for the Millennium Challenge Account

INDICATOR	SOURCE
I. Ruling Justly	
1. Control of Corruption	World Bank Institute
2. Rule of Law	World Bank Institute
3. Voice and Accountability	World Bank Institute
4. Government Effectiveness	World Bank Institute
5. Civil Liberties	Freedom House
6. Political Rights	Freedom House
II. Investing in People	
7. Immunization Rate: DPT, Measles	UN/ World Bank / National Sources
8. Primary Education Completion Rate	World Bank / National Sources
9. Public Primary Education	World Bank / National Sources
10. Public Expenditure on Health / GDP	World Bank / National Sources
III. Economic Freedom	
11. Country Credit Rating	Institutional Investor Magazine
12. Inflation	IMF
13. Regulatory Quality	World Bank Institute
14. 3- Year Budget Deficit	IMF / World Bank
15. Trade Policy	Heritage Foundation
16. Days to Start a Business	World Bank

SOURCE: Millennium Challenge Corporation, "Fact Sheet: Millennium Challenge Account," November 25, 2002 <http://www.mcc.gov>

Conditionality describes a system where aid is given with a promise by the recipient to execute reforms that are agreed upon with the donor. In other words, the aid is conditional upon reform. When the conditions are unsatisfied the donor is obligated to cease disbursing further aid to that country. Conditionality was designed to increase the incentives for aid recipients with poor policies to implement reform.

In contrast, donors practicing *selectivity*, also called performance-based aid, only give official development assistance (ODA)[3] to countries which already have acceptable policies. For example, the MCC has determined that Mozambique is eligible to receive aid because it determined Mozambique has good policies relative to other low-income countries.[4] On the other hand, the MCC determined Haiti is not eligible for aid in fiscal year 2004, because its policies and institutions do not rank high enough.[5] This is an example of selectivity in action. The difference between

conditionality and selectivity may sound rather nuanced, but the consequence of shifting to selectivity would be a dramatic *decrease* in aid to some of the poorest countries with the worst policies, exactly the countries which need the most help. Even so, economists at the World Bank are hailing selectivity as the most efficient way for aid to reduce poverty.[6]

This article looks at the big-picture of assistance strategies since World War II. In particular, it examines the new strategy of selectivity in light of past donor practices. There are important debates ongoing about how aid should be spent within countries, which industries and policies it should promote, and which commodities it should be used to purchase. This article does not address these critical questions; instead, it focuses on the grander issue of how systems of aid allocation and disbursement affect the ability of aid to combat poverty. A crucial question to consider is what *incentives* these systems create for aid donors and recipients?

The next section provides a brief history of foreign aid from World War II to the present. After reviewing relevant literature, I argue that conditionality, as practiced by the World Bank and IMF in the 1980s and 1990s, fails as a framework for poverty reduction because it creates perverse incentives for donors and recipients. Then I consider the theoretical basis for selectivity. I argue that selectivity, while not a panacea, is a more efficient system of allocating and disbursing ODA than conditionality. The conclusion is that selectivity will generate more poverty reduction per aid dollar, but the donor community has a moral obligation to help the impoverished residents of the countries that will receive less aid under the new system.[7]

A Brief History of Foreign Aid

The relevant history of foreign aid, for our purposes, begins after World War II. There are three general periods in this history. The first period, from approximately the 1950s through the1970s, was dominated by aid to finance investment in developing countries. The second period from about 1980 to the mid-1990s could be called the era of conditionality. The third period is characterized by the ongoing emergence of selectivity, which began in the mid-1990s.

After World War II, aid financed investment helped rebuild the war torn nations of Europe. The Marshall Plan, signed by President Truman in 1948, called for the European states to establish a reconstruction plan to be financed with American assistance. Over the four years of Marshall Plan operation Congress appropriated $13.3 billion for European recovery.[8] According to the U.S. State Department, "During the Marshall Plan period, Western Europe's aggregate gross national product jumped by more than 32 percent, from $120,000 million to $159,000 million."[9] The Marshal Plan's success was followed by President Truman's Point Four Program and the International Act for development in 1950 establishing, "the policy of the United States to aid the efforts of the peoples of economically underdeveloped areas to develop their resources and improve their living conditions."[10] These policies extended the Marshall Plan approach, of aid for capital investment, to historically poor countries.

In his book, The Elusive Quest for Growth, former World Bank economist William Easterly says the "financing gap approach" had its "heyday" in the 1960s and 1970s before it, "died out of the economic literature altogether."[11] The "financing gap approach," an off-shoot of the Harrod-Domar growth model, assumes that growth is directly related to investment. Following this course of logic, economists began calculating the "required" amount of savings each country needed to reach a target growth rate. Therefore, the "financing gap" refers to the difference between a country's "required" investment and its current savings.

Donors aiming to reduce poverty thought they could encourage growth in developing countries by filling the "financing gap" with aid, but data shows the results did not meet expectations. The first problem with the "financing gap approach" is that empirical evidence does not support the link between investment and growth. Using data from 138 countries Easterly finds, "there is no statistical association between

growth in one four-year period and investment in the previous four year period."[12] A more surprising problem with the financing gap approach is that aid was not used by developing countries to finance the gap. Using data from 88 countries spanning the period from 1965 to 1995 Easterly also finds that only seventeen of eighty-eight countries show, "a positive statistical association between aid and investment," and that only six of these countries, "also pass the test of investment increasing at least one for one with aid."[13] In other words, much of the aid meant for investment was being used for consumption instead.

Stronger evidence against the "financing gap approach" than Easterly's empirical work comes directly from economic theory.[14] In 1956[15] and 1957[16] Robert Solow published his theory of growth in two articles. Solow's theory says that technological innovation, not investment, is the key to economic growth. Here "technology" does not necessarily refer to a new machine or gadget. Instead, technology is anything that makes the current stock of capital, including human capital, more productive. So, technology includes policies and institutions that increase productivity. For example, gender neutral hiring is a technology that improved productivity in the United States. Some would certainly argue that we still have a ways to go, but the point is that by encouraging women to become homemakers America lost untold numbers of talented doctors, lawyers, politicians, and pilots. Years after Solow published his growth theory attention finally shifted away from capital investment and towards technological innovation. Eventually, the IMF and World Bank developed conditionality to encourage developing countries to adopt better technologies.

In 1980 the second period of aid disbursement and allocation, conditionality, gained prominence. In February of 1980 World Bank President Robert McNamara received approval from the World Bank to create a new kind of loan, the structural adjustment loan (SAL).[17] The IMF had already been disbursing conditional loans, but it also increased its use of SALs in 1980.[18] Between 1980 and 1999 the IMF and World Bank gave each developing country an average of seven adjustment loans.[19] The motivation for conditionality was to encourage policy reform in developing countries with inferior polices. For reasons that are discussed below, by the late-1990s donors were moving away from conditionality and towards the next wave of aid allocation and disbursement: selectivity.[20]

As evidenced by the policies of the MCC and the World Bank's International Development Association (IDA), selectivity is rising as the dominant framework for aid allocation and disbursement. Now one of the IDA's three criteria for determining which countries are eligible for assistance is "good policy performance."[21] In a 2004 article, leading development economists John Hudson, Paul Mosley, and Arjan Verschoor describe the shift in donor behavior from conditionality to selectivity. "At the level of means, policy conditionality, until very recently seen as the main instrument for increasing the effectiveness of aid, has been dramatically thrown overboard and replaced with a concept of selectivity, in which aid agreements are only concluded with those countries whose policies are in some sense already acceptable."[22] Below it should become clear why conditionality was tossed overboard, and why selectivity took its place.

Evaluating the Era of Policy Conditionality

After two decades of structural adjustment loans (SALs) the report card for conditionality is far from spectacular. In his article, "What Did Structural Adjustment Adjust?" former World Bank economist William Easterly finds it did not adjust much.[23] His first observation is that some countries received large numbers of structural adjustment loans (SALs). For example, Cote d'Ivoire received 26 SALs from 1980-1999.[24] This implies that new loans were given because old loans were ineffective. While not conclusive evidence that conditionality failed, it does suggest a problem. It is similar to giving your compulsive gambling uncle 26 loans in 20-years on the condition that he attends Gamblers Anonymous meetings.[25] It may be that your uncle is trying to abstain from gambling but his addiction is so strong that he keeps going back to the casino, or it could be that your loans are not helping. Furthermore, it seems your loans

are not conditional upon your uncle's behavior.

A more empirical way to test the effectiveness of conditional aid is to compare the group of countries that received the most of SALs with the entire group of developing countries, and see which group faired better. Easterly compares the 20 most intensive recipients of SALs from 1980-1999 with a sample of other developing countries. He finds, "On average, the two samples of intensive adjustment lending and the rest of the developing country samples were not significantly different over the 1980s and 1990s."[26] From 1980-1999 the two groups of countries, on average, both display a per capita growth rate close to zero, the same current account to GDP ratio, the same government balance to GDP ratio, and the same black market premium and inflation rate (see TABLE-2).[27] Again, this is not damning evidence against conditional aid. But, going back to the gambling uncle example, it is similar to finding that even though you lend money to your uncle, similar people in Gambler's Anonymous that get less money from their families are doing just as well. Under these circumstances it is hard to argue your loans are helping.

TABLE-2: Performance of Top 20 Recipients of Adjustment Loans from 1980-1999 and Performance of All Developing Countries.

Country Group	Adjustment Loans 1980-1999	Per Capita Growth Rate (%)	Current Account Balance/GDP	Government Balance / GDP	Black Market Premium	Inflation Rate (%)
Average for Top 20 Recipients of Adjustment Loans	19	0.1	-6.1	-4.6	26	24
Average for All Developing	7	0.3	-6	-4.6	32	32

SOURCE: William Easterly, "What Did Structural Adjustment Adjust?" Journal of Development Economics, (February, 2005): 5.

Proponents of conditionality might contend that if SALs were not extended to the countries that received them, those countries would have fared worse. Overcoming this counterfactual argument is extremely difficult. Easterly argues that countries that received the most SALs did not perform better than other countries, but this evidence does not overcome the counterfactual argument. Once again to the uncle example, the fact your uncle is bankrupt and still addicted to gambling does not mean your loans did not help. Defendants of conditional aid can always argue that countries receiving conditional aid would be worse off without it. There is no irrefutable way to debunk this argument. But, from the perspective of taxpayers who pay for conditional aid, and people living in poverty, it seems the burden-of-proof should be on the World Bank and IMF to prove their policies are working, not the other way around. Easterly makes a strong case against conditional aid, and depending on where the burden-of-proof lies it either shows that conditional aid failed or it proves nothing.[28]

What is clear is that conditional aid was not sufficient. The big picture shows that per capita growth in developing countries decreased rapidly just as IMF conditional aid activities were becoming more prevalent (see FIGURE-1). In addition to the generalized failures of conditional aid there were individual disaster stories. One of these disasters was Zambia. From 1980-1999, "Zambia received 18 adjustment loans but had sharply negative growth (-2.1% per capita), unacceptable current account and budget deficits, high inflation (58%), a high black market premium (77%), large real overvaluation, and a negative real interest rate (-10%)"[29]. To repeat, 18 adjustment loans in 20 years to a country without any easily identifiable improvement in its economic indicators. This looks more like *un*conditional aid. Can we explain this behavior by the IMF and World Bank?

FIGURE-1: Adjustment Loans Did Not Cause Growth in the Developing World

SOURCE: William Easterly, The Elusive Quest for Growth, (Cambridge: The MIT Press, 2001): 103

Perverse Incentives and Conditionality

Close inspection shows conditionality created incentives which led rational agents to behave in ways that undermined it. In his paper, "Why Conditional Aid Does Not Work and What Can Be Done About It," Jokab Svensson argues the institutional arrangement of conditional lending, "has resulted in a strong bias towards 'always' disbursing committed funds to the ex ante designated recipient, irrespective of the recipient government's performance."[30]

Svensson argues that conditionality creates incentives for aid agencies to always disburse all the funds they are allocated. Aid is committed by donor countries to donor organizations, like the World Bank, who leave the decision of whether to disburse the aid to individual country departments. Svensson points out that, "Since the allocation of the overall aid budget across country departments is partly determined by the disbursement history, a country department failing to disburse the committed funds will most likely receive a smaller allocation the following year."[31] In this situation the opportunity cost for the World Bank's Zambia country manager of disbursing another loan is close to zero, if not negative. If the Zambia manager does not disburse aid the money goes elsewhere. This is why the opportunity cost is close to zero, and this could explain cases like Zambia where conditionality was not enforced. Given the incentives at play, there is little reason to expect conditionality was applied as intended. Unsurprisingly, Svensson provides empirical evidence that supports these expectations.[32]

The conclusions from this section are that conditional aid did not produce strong results in developing countries from 1980-1999. Also, as implemented, conditionality did not work as planned because donors did not have proper incentives to make aid conditional. Fortunately, the World Bank recognized the short-comings of structural adjustment loans. In August 2004 the Bank changed the name of "structural adjustment loans" to "policy development loans". A press-release on the Bank's website explains the policy change this way, "The bulk of adjustment operations are now done in the form of programmatic adjustment loans where disbursements are made against actions that have already been completed, rather than actions that are promised in the future."[33]

The Argument for Selectivity

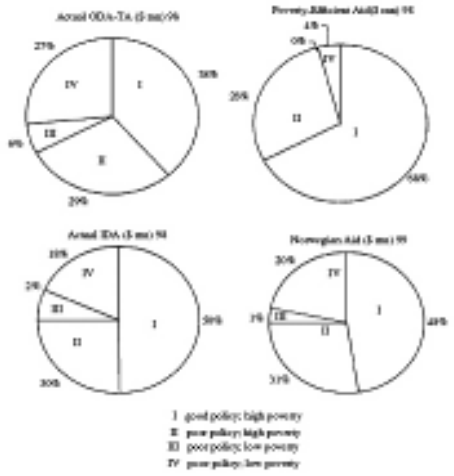
Svensson's article, discussed at length in the last section, was submitted to the *Journal of Development Economics* in June, 2000. In the article Svensson proposes a new system of aid allocation, and uses a game theoretic model to show it will produce conditionality "as it is supposed to work."[34] In Svensson's proposed system, "the donor links the allocation and disbursement decision by committing the aggregate amount [of funds] to a group of countries, but where the actual amount disbursed to each individual country depends on its relative performance."[35] This could easily be a description of the MCC's framework, the IDA's new allocation rules, or of selectivity in general. Compared to conditionality, selectivity increases the donor's opportunity cost of disbursing aid ex post, creating stronger incentives for donors to reward good polices.[36] This is the case because with selectivity disbursing funds to country A negates the opportunity to disburse those funds to country B.

History might remember the founding document of selectivity as a paper circulated by Burnside and Dollar in 1997[37] and published in 2000 called, "Aid Policies and Growth."[38] Cornell Professor Ravi Kanbur notes the two most important arguments of the Burnside and Dollar paper. "Burnside and Dollar (2000) find that there is no effect of aid on policy, but there is a positive effect of aid on growth when the policy environment is 'right'."[39] Intuitively these findings make sense. Aid is essentially a form of investment and one would expect a country with good polices and institutions to display high rates of return on investment, much the same way stock analysts expect companies with strong leadership to perform well. Burnside and Dollar's other finding (that aid has no effect on policy) rejects the core motivation for conditional aid, because the goal of conditionality is to use aid to induce policy reform.

Building on this evidence, economists Paul

Collier and David Dollar formulate a "poverty efficient allocation rule" which they argue produces the optimal aid allocation for poverty reduction.[40] Their "poverty efficient allocation rule" actually contains three rules.[41] The first rule is that there are diminishing returns to aid. This simply means aid becomes less effective as more of it floods a country. The second rule is that aid encourages more growth in countries with better policies and institutions. The third rule is that aid reduces more poverty in countries with initially high incidences of poverty. Putting the three rules together creates the "poverty efficient allocation rule." FIGURE-2 shows how current aid programs compare with the "poverty efficient allocation." Therefore, according to Collier and Dollar the "poverty efficient aid allocation" will give the majority of aid to countries with good policies and lots of poverty, but not too much aid to any one country.

FIGURE-2: Poverty Efficient Aid Allocation and Actual Aid Allocations



SOURCE: Paul Collier and David Dollar, "Development Effectiveness: What Have We Learnt?" The Economic Journal, Vol.114, No.496 (June, 2004): F249.

In stark contrast with aid allocations motivated by conditionality, the "poverty efficient allocation rule" considers policy exogenous. In Collier and Dollar's latest article, "Development Effectiveness: What Have We Learnt?" the authors posit: "It is useful for donors to begin by looking at aid effectiveness on the assumption that they have no influence on policy at all."[42] But, even though Collier and Dollar are highly ambivalent about the potential for aid to affect policy, they are eager to mention aid's power to reinforce recent reforms. In the same article they say, "By increasing the benefits of reform, aid enhances the likelihood that they will be sustained."[43] The implicit message is that donors should deemphasize disbursing pre-reform aid and emphasize post-reform aid.

By emphasizing post-reform disbursement, selectivity enhances the reward of positive reform and also avoids a serious crack in the theory of conditionality. Harvard economist Dani Rodrik argues one of conditionality's flaws is that pre-reform aid can be a disincentive for reform because, "the *prospect* of aid can actually exacerbate the delay of [reform], by inducing groups to postpone making sacrifices until aid actually materializes."[44] Disbursing aid after reform avoids this problem. As the donor community practices more post-reform disbursement, the question to ask is what role donors should play in countries that have not "reformed" enough to qualify for selective aid?

Considering Countries Left Behind

A policy brief by the Brookings Institution entitled, "Making the Millennium Challenge Account Work for Africa," brings attention to the most troubling aspect of the MCC, the "poverty efficient allocation rule," and selectivity in general. According to the policy brief, "The particulars of the chosen methodology [of the MCC] yield results that in large part exclude the poorest countries in sub-Saharan Africa from eligibility- a troubling outcome, since sub-Saharan Africa has the highest concentration of extreme poverty of any region in the world."[45] With selectivity some extremely poor countries across the globe, not only in sub-Saharan Africa, will receive less monetary aid. For example, Haiti is the poorest country in the Western Hemisphere with 80% of its population living in poverty[46], but it did not qualify for aid from the MCC in 2004[47] , and in 2003 the IDA gave Haiti no assistance (See Table-3).[48] Donors want to increase the effectiveness of their aid by practicing selectivity,

but they must find ways to help countries like Haiti that will receive less monetary aid. This section considers some proposals for dealing with this dilemma.

TABLE-3: Countries Selected by MCC as Eligible for Aid out of 63 Candidates.	
1	Armenia
2	Benin
3	Bolivia
4	Cape Verde
5	Georgia
6	Ghana
7	Honduras
8	Lesotho
9	Madagascar
10	Mali
11	Mongolia
12	Morocco
13	Mozambique
14	Nicaragua
15	Senegal
16	Sri Lanka
17	Vanuatu
SOURCE: Millennium Challenge Corporation, Eligible Countries, http://www.mcc.gov/countries/eligible/index.shtml	

One recommendation is that donors practicing selectivity should judge countries on a regional basis. For instance, the Brookings Institute policy brief mentioned above estimates that by applying the MCC's methodology on a region-specific basis the number of countries in sub-Saharan Africa qualifying for MCC funds would triple.[49] The policy brief argues this would be a favorable outcome, because sub-Saharan Africa needs as much aid as possible.

A journal article by Dalgaard et. al. entitled "On The Empirics of Foreign Aid and Growth" provides empirical justification for a similar proposal.[50] Using empirical evidence this article finds that tropical countries tend to have worse policies and institutions for either geographical or historic reasons. Therefore, using the "poverty efficient allocation rule" would allocate less aid to tropical countries for things that are out of their control. As Dalgaard et. al. say, "Hence, ultimately the core question may boil down to this: should we stop giving aid to countries in the tropics?"[51] Making separate considerations for tropical countries, "geographic affirmative action" if you will, would be one way to avoid geographic discrimination. This might be accomplished by adding points to a country's policy ranking based on what percentage of its land qualifies as "tropical." The problem is that by straying from the "poverty efficient allocation rule," any form of "geographic affirmative action" would decrease the efficiency of aid.

The article "Aid, Poverty Reduction and the 'New Conditionality'", by Hudson et. al. advocates the "poverty efficient allocation rule" to a large degree, but it also argues that a "new conditionality" can help countries poorly served by selectivity.[52] While Collier and Dollar assume the poverty elasticity of growth is only a function of the rate of poverty incidence, Husdon et al. find that public spending priorities, corruption, and inequality also affect poverty elasticities. They admit the prospects for donors to influence corruption and inequality with aid are slim, but they are more optimistic about influencing public spending priorities. In particular they argue conditional aid can improve public spending priorities in very poor countries, because aid is less fungible in countries with initially small public expenditures.[53] Hudson et. al. construct a pro-poor public expenditure index (PPE index) to measure the leverage of aid to affect public spending priorities. The authors estimate that by considering their PPE index in the "poverty efficient allocation rule," which entails giving more aid to countries where aid is less fungible, donors can decrease 12% more poverty.[54] This "New Conditionality" is a serious proposal for helping the countries that will receive less aid under selectivity, and it deserves further investigation.

Collier and Dollar have their own proposal for helping countries left behind by selectivity. They propose that in countries where donors are not comfortable working "with" the government they can work "through" or "around" the government to help the poor.[55] More specifically, Collier and Dollar recommend that in countries where the donor can "somehow overcome the problem of fungibility," they can work "through" the government by earmarking aid for specific projects. This proposal for working "through" the government is quite similar to the "new condition-

ality" proposed by Hudson et. al.[56] The proposal to work "around" the government could be accomplished by financing third party organizations, like NGOs, to implement poverty-fighting projects. However, Collier and Dollar warn going "around" the government runs the risk of "detaching the wellbeing of the population from the actions of government."[57] One can imagine that most governments would not be thrilled by this prospect.

There are encouraging signs that donor organizations are using these ideas to address the gaps in selective foreign aid. In 2001 the World Bank created the Low Income Countries Under Stress (LICUS) Initiative to assist countries where traditional aid programs have not been successful.[58] According to the World Bank, "Assistance to LICUS is expected to be knowledge-intensive rather than finance-intensive."[59] There is a similar program developed by the OECD called Difficult Partnerships.[60] The success of selectivity will depend heavily on the ability of these types of programs to help the countries left behind.

Conclusion

The first Millennium Development Goal (MDG) is to, "Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day."[61] In 1990 over one billion people, or 27.9% of the population, were living on less than one dollar per day. In 2001 the percent of people living under these conditions was 21.3%.[62] In order to meet the MDG for poverty reduction it is critically important for selectivity to be successful, because it is the way a growing portion of ODA is being allocated. It is just as important to assist countries that will receive less monetary assistance. According to the World Bank's LICUS initiative, low income countries under stress are home to at least 500 million of the world's poorest citizens.[63] These are the countries that will receive less aid under selectivity, and the 500 million people living in them make it incredibly important to help LICUS countries. The U.S. Millennium Challenge Corporation and selectivity in general are about giving monetary aid to countries that will use it to enhance economic growth and fight poverty. This looks like a step in the right direction, but the greatest challenge will be fighting poverty in countries where more money is not the best long-term answer.

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NOTES

[1] In this article the term "good policies" refers to policies which are conducive for economic growth and poverty reduction. There is a vast literature about which policies are "good" which this article does not address.

[2] Colin Powell, Welcome Message from The Honorable Colin L. Powell, Chairman of the Board of the Millennium Challenge Corporation, 2002 http://www.mcc.gov.

[3] I use ODA and aid interchangeably. The OECD defines ODA thusly: "Grants or Loans to countries and territories on Part I of the DAC List of Aid Recipients (developing countries) which are: (a) undertaken by the official sector; (b) with promotion of economic development and welfare as the main objective; (c) at concessional financial terms [if a loan, having a Grant Element (q.v.) of at least 25 per cent]. In addition to financial flows, Technical Co-operation (q.v.) is included in aid. Grants, Loans and credits for military purposes are excluded." (OECD, DAC's Glossary http://www.oecd.org/glossary0,2586,fr_2649_33721_1965693_1_1_1_1,00.html#1965586)

[4] Millennium Challenge Corporation, Eligible Countries, http://www.mcc.gov/countries/eligible/index.shtml.

[5] Ibid.

[6] Paul Collier and David Dollar, "Development Effectiveness: What Have We Learnt?" The Economic Journal, Vol.114, No.496 (June, 2004): F244-F271.

[7] Following MCC terminology: *candidates* are countries that meet income requirements, and *eligible* countries are those countries which have good enough policies and institutions to receive for aid.

[8] For European Recovery: The Fiftieth Anniversary of the Marshall Plan, Introduction to For European Recovery: The Fiftieth Anniversary of the Marshall Plan, http://www.loc.gov/exhibits/marshall/.

[9] Michael Hogan, "Blueprint for Recovery," U.S. Department of State http://usinfo.state.gov/usa/infousa/facts/marshall/pam-blu.htm.

[10] Quoted in Ravi Kanbur, The Economics of International

Aid, 2003, 4 http://www.arts.cornell.edu/poverty/kanbur/HandbookAid.pdf.
[11] William Easterly, The Elusive Quest for Growth, (Cambridge: The MIT Press, 2001): 35
[12] Easterly 2001, 39
[13] Easterly 2001, 37-38
[14] Solow's model is "stronger" evidence against the "financing gap approach" than Easterly's empirical test, because it does not assume that donor's main goal from 1980-1999 was to encourage growth.
[15] Robert Solow, "A Contribution to the Theory of Economic Growth," Quarterly Journal of Economics, Vol.70, No.1 (February, 1956): 65-94.
[16] Robert Solow, "Technical Change and the Aggregate Production Function," Review of Economics and Statistics, Vol.39, No.3 (August, 1957): 312-320.
[17] William Easterly, "What Did Structural Adjustment Adjust?," Journal of Development Economics, (February, 2005): 1.
[18] Easterly 2005, 2.
[19] Easterly 2005, 5.
[20] World Bank, Assessing Aid: What works, What Doesn't, and Why?, (New York: Oxford Univ. Press, 1998).
[21] The World Bank, "How IDA Resources are Allocated," (February, 2004) http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/IDA/.
[22] John Hudson, Paul Mosley, and Arjan Verschoor, "Aid, Poverty Reduction and the 'New Conditionality'," Economic Journal, Vol.114, No.496 (June, 2004): F217.
[23] Easterly 2005.
[24] Easterly 2005, 5.
[25] Easterly (2005) uses a similar example involving a hospital and patients. Here a compulsive gambling uncle is used as an example in order to achieve some degree of originality while maintaining the pedagogical value of the example.
[26] Easterly 2005, 7.
[27] Easterly 2005, 5.
[28] Easterly 2005.
[29] Easterly 2004, 9.
[30] Svensson 382.
[31] Jakob Svensson, "Why Conditional Aid Does Not Work and What Can Be Done About It," Journal of Development Economics, Vol.70, No.2 (April, 2003): 383
[32] Svensson 389-393.
[33] The World Bank, "Development Policy Lending Replaces Adjustment Lending", (August 10, 2004) http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/.
[34] Svensson 386.
[35] Svensson 394.
[36] Svensson 394.
[37] Kanbur 17.
[38] Craig Burnside and David Dollar, "Aid, Policies and Growth," The American Economic Review, Vol.90, No.4 (September, 2000): 847-868.
[39] Kanbur 17.
[40] Paul Collier and David Dollar, "Aid Allocation and Poverty Reduction", European Economic Review, Vol.46, Issue 8 (September, 2002): 1475-1500.
[41] Collier 2004, F246.
[42] Collier 2004, F247.
[43] Collier 2004, F261.
[44] Dani Rodrik, "Understanding Economic Policy Reform," Journal of Economic Literature, (March, 1996): 22.
[45] Lael Brainard and Allison Driscoll, "Making the Millennium Challenge Account Work for Africa," The Brookings Institute, (Policy Brief #123, September, 2003): 1 http://www.brookings.edu/comm/policybriefs/pb123.htm.
[46] Central Intelligence Agency, "Haiti," The World Factbook http://www.cia.gov/cia/publications/factbook/geos/ha.html
[47] Millennium Challenge Corporation, Eligible Countries http://www.mcc.gov/countries/eligible/index.shtml.
[48] International Development Association, Allocating IDA Funds Based on Performance, March, 2003 http://siteresources.worldbank.org/IDA/Resources/PBAAR4.pdf
[49] Brainard 1.
[50] Carl-Johann Dalgaard, Henrik Hansen, and Finn Tarp, "On the Empirics of Foreign Aid and Growth," Economic Journal, (June, 2004): F211.
[51] Dalgaard F211.
[52] John Hudson, Paul Mosley and Arjan Verschoor, "Aid, Poverty Reduction and the 'New Conditionality'," Economic Journal, Vol.114, No.496 (June, 2004).
[53] Hudson F230.
[54] Hudson F235.
[55] Collier 2004, F264.
[56] Hudson 2004.
[57] Collier 2004, F264.
[58] World Bank, "LICUS Initiative: Low Income Countries Under Stress," 2004 http://www1.worldbank.org/operations/licus/.
[59] Ibid.
[60] Organisation for Economic Co-operation and Development, Poor Performers: Basic Approaches for Supporting Development in Difficult Partnerships, (November, 2001) http://www.oecd.org/dataoecd/26/56/21684456.pdf .
[61] World Bank, "Eradicate Extreme Poverty and Hunger," Millennium Development Goals, (September, 2004) http://www.developmentgoals.org/Poverty.htm .
[62] Ibid.
[63] World Bank, "LICUS Initiative: Low Income Countries Under Stress," 2004 http://www1.worldbank.org/operations/licus/.

The Search for an Economic Scapegoat

Felix Cruz

Introduction

Outsourcing is a very hotly debated topic among political analysts and pundits. The purpose of this article is to discuss existing opinions and theories regarding the phenomenon commonly referred to as outsourcing in the United States and its implications for the American economy.

Outsourcing, or 'off-shoring' as it is also commonly referred to, has two literal definitions. The kind of outsourcing examined here is not the outsourcing of various stages in the production of a good or service. This type of outsourcing would take place when, for example, a computer maker purchases some of the parts from an outside company rather than producing them in-house. Outsourcing in this respect is when part of the production of a good or service is performed by another different firm from the firm providing the good or service.

The type of outsourcing this study is focusing on is outsourcing in the global marketplace for labor. As information and other critical components of successful businesses become easier, cheaper, and faster to transmit globally, there is a trend towards hiring work in a labor market where equivalent productivity can be gained from labor sold at a wage far below the standard American market value for the labor provided. In other words, outsourcing employment allows multinational corporations to take away jobs they currently offer in the domestic labor market in favor of lower paying (and, from their perspective, lower costing) jobs overseas. The particular concern in modern America is that the jobs being outsourced are not necessarily the typical blue-collar type of jobs historically outsourced. There is a shift towards the outsourcing of higher end services that are typically handled by domestic labor, particularly to India and China. These countries are of incredible importance because of their massive populations and large numbers of educated citizens (in absolute terms, not as a percentage). With their overall national price levels much lower than that of the United States, wages demanded in these labor markets are much lower than the average wage demands made by American workers of comparable skill. One of the most frequently cited examples of outsourcing comes in the employment lost to the outsourcing of telephone technical support center (call centers) jobs. Typically staffed by lower income American employees, low wage, highly skilled employees in India have been moving into these job en masse. Additionally, more white-collar employment opportunities are being shifted abroad such as computer programming and tax preparation.

Outsourcing has been a buzzword in the American political scene recently, as is typical in election years. While not a new phenomenon, a number

of instigating factors have rushed outsourcing to the fore of public debate. The failure of the economy to rebound as desired from the recession at the turn of the century in addition to stagnant job growth and many other factors has led to a search for a definitive cause of the stagnation.

Many of the economic problems of the United States that are currently attributed to outsourcing can in fact be associated more so with other economic events such as the increased importance of the American economy on technology. Politicians have found a scapegoat in outsourcing to fulfill their own political needs at the expense of other, perhaps more relevant factors contributing to a decline in the welfare of the average American worker. Little consideration is given to the idea that outsourcing, while causing short run pain in various sectors of the economy, can ultimately be a boon to the aggregate economy as a whole.

As information and other critical components of successful businesses become easier, cheaper, and faster to transmit globally, there is a trend towards hiring work in a labor market where equivalent productivity can be gained from labor sold at a wage far below the standard American market value for the labor provided.

The race for the perfect sound bite and the most popular stance on any particular topic has resulted in a dearth of legitimate political debate on important topics such as outsourcing, leaving Americans with a very one-sided perspective, based largely on incomplete information. Outsourcing is an economic phenomenon that cannot be discussed without applying economic analysis to develop a stance regarding its legitimacy. Without considering aggregate economic effects of outsourcing, nor discussing alternative causes of the economic ills of the United States, a rational opinion cannot be formed.

II. Is outsourcing a detriment to the well being of the American economy?

Outsourcing is predicated by the Ricardian concept of comparative advantage. Using this model, we can show that liberalized trade can benefit the parties involved by allowing them to specialize in the production of the good (or service, as in this case) in which they have a comparative advantage. They can then use the profits derived from increased production to trade for other goods that they cannot produce at a lower cost. The model examines trade between two countries, for example, imagine there exists only two countries, Brazil and Canada, and they can only produce two goods, maple syrup and bananas. Canada can produce maple syrup cheaper than Brazil can, and Brazil can produce bananas cheaper than Canada can. If each focuses on the production of the good that they can produce more cheaply, they may then trade some of that good for the good which they have no comparative advantage in and no longer produce. By using their increased production in the good that they have an advantage in to trade for the good they stop producing, they can consume more of both goods. Focusing on where efficiencies exist rather than trying to encourage the development of inefficiently produced goods allows economies to benefit on a grand scale in terms of the variety and quantity of goods they can consume.

This model, however, is obviously an oversimplification of the global market place for good production. There are obviously more than two countries in the world that most certainly produce more than two goods. However, this model remains effective at illustrating the benefits that can be derived from Ricardian comparative advantage. Additionally, this model fails at dealing with the issues associated with the distributional effects on income. It is undeniable that when viewed as an aggregate whole, the economy benefits from freer trade, however, when considered on the individual firm level, producers in the

outsourced sectors are bound to experience a period of steep economic difficulty. In the long run, however, the assumption can be made that displaced workers and business owners will find new industries and sectors through which they will be able to utilize their capital and labor assets, thus nullifying the negative effects initially brought about by outsourcing and gaining as a result of the new efficiencies in the market. Thus, in the Ricardian model of free trade, it is very likely that both firms and labor will benefit from liberalized trade. It is also theoretically possible to have the gainers from free trade in the Ricardian model compensate the losers if their benefit is high enough, though this is nearly impossible to find in reality.

Focusing on where efficiencies exist rather than trying to encourage the development of inefficiently produced goods allows economies to benefit on a grand scale in terms of the variety and quantity of goods they can consume.

The principle of comparative advantage can be applied to outsourcing. If countries focus on producing the good or service that they have a comparative advantage in, then they can benefit from being able to use their new production to purchase more goods they import. Ideally then, the provision of services by countries like India and China from the United States should result in a boost in the overall picture of the U.S. economy. In essence, these countries are exporting labor since their lower real wages provide a Ricardian comparative advantage for these nations.

Obviously, the perfect Ricardian model is the ideal situation, and not all international trade falls neatly into this archetype. Not all companies are utilizing outsourcing to exploit a comparative advantage as part of a growth strategy. Rather they are merely using it as a quick fix to boost profits on account of drastically lowered prices of inputs.[1] Additionally, countries providing the cheaper labor have been employing some protectionist measures to keep their cheap labor supply employed. For example, some U.S. accounting firms and banks have outsourced U.S. personal income tax return preparation to India, having them prepared by Indian accountants while Indian law dictates that only Indians may hold these positions. [2] This cannot be allowed indefinitely, as it will grow to be a large burden on the U.S. labor market should these practices proceed unchallenged.

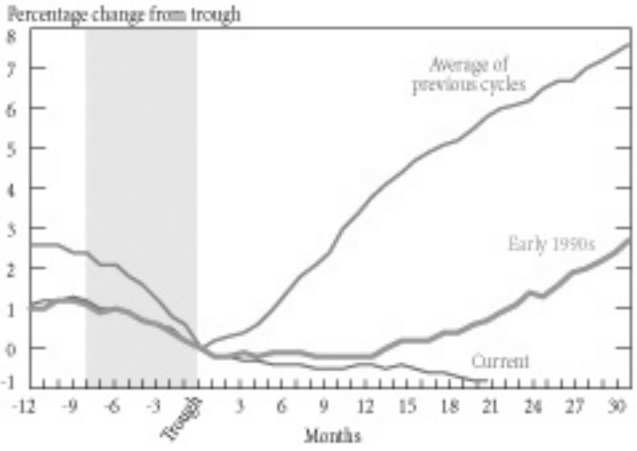
A frequently mentioned concern is that Chinese and Indian labors are approaching more U.S.-like levels of productivity. In a paper written by economist Paul Samuelson, Professor Emeritus in economics at the Massachusetts Institute of Technology, he contests that much of the comparative advantage in goods and service production used as rationale for outsourcing is a result of superior American productivity in addition to lower real wages.[3] According to Prof. Samuelson's analysis, the effect of this increase in productivity can potentially damage the U.S. economy overall, but such an outcome is unlikely, and at most will slightly hurt the American terms of trade with China, though the net national benefit will be much more positive than in a closed economy no trade situation.[4]

If the U.S. can insure that firms will reinvest money into the American economy subsequent to outsourcing, then outsourcing can be a great positive for the U.S. economy. Additionally, outsourcing can benefit the United States as long as the nation is diligent about enforcing proper free trade practices amongst all nations, in addition to retaining the American competitive advantage in goods and services. This improvement in competitive advantage can be gained by a number of methods, such as increased access to education and an increased focus on teaching valuable scientific and technical skills to upcoming generations.

III. A jobless recovery.

The recovery from the recent recession was atypical from what has been historically associated with a recovery. The most recent recovery was reminiscent of the recovery in 1991-1992 in the sense that it was a 'jobless recovery.' Historically, the measure as to when the aggregate economy had officially turned the corner into expansion has been indicated by a change in the payroll figures.[5] In these two recoveries, however, there have been much smaller than predicted increase in American payroll figures. Although output has increased since the period prior to this recovery, new additions to labor have not increased at a rate typical for a recovery. This suggests that the increase in output is not attributable to an increase in new hires, rather it is simply the product of increased productivity for the average American worker.[6]

Chart 1
Payroll Job Growth during Recoveries



Sources: U.S. Bureau of Labor Statistics
Note: The shaded area indicates the length of the 2001 recession.

More generally, this decline in the reemployment of displaced workers subsequent to the initial decline in employment following the recession can also be attributed to structural changes within industries.[7] Increases in unemployment can typically be ascribed to either the cyclical nature of the business cycle or structural changes in the way firms in industries hire and do business. New styles of management and human resource techniques can lead to hiring of better employees with much greater returns as opposed to less skilled employees which causes a business' payroll figures to drop.

As mentioned above, this type of jobless recovery is not without precedent. Economists can now predict this new type of recovery, thus, recent decreases in jobs and new hires must be examined within this new light. With outsourcing as a common fear amongst many American working classes and politicians alike, it has proven to be a viable focal point for many special interests in Washington. These groups fail to realize, however, that of the many factors contributing to the current economic situation, outsourcing represents a relatively small percentage when compared to such events as the recent recession and subsequent recovery.[8]

IV. Outsourcing's overall impact on unemployment as a percentage.

It is indisputable that outsourcing does indeed lead to a decrease in employment in some sectors, however a more telling statistic is the percentage of jobs lost overall in the American economy attributable specifically to outsourcing. There are problems associated with calculating this type of statistic. Data on jobs lost to outsourcing is scarce at best. Corporations are understandably hesitant to release data on outsourcing, and in the event that they were more transparent, Washington lacks a cost-effective method to verify company reports on outsourcing.[9] In a study according to Forrester, a leading information technology consulting firm, it is expected that the U.S. economy will shed 400,000 jobs in 2004 due to outsourcing, ballooning to 3.3 million by 2015. Should this estimate be correct, jobs will leave the U.S. economy at a rate of about 250,000 per year.[10]

While this estimate seems like an incredibly large number, it is indeed a small percentage of the annual 15 million in involuntary job losses annually.[11] If these estimates prove to be correct, 1.67% of job losses can be attributed to jobs sent overseas. This is a far cry from a catastrophic decline in U.S. employment figures. These figures, while more promising than the public is led to believe are still only estimates.

There are many more factors to the decline in American payroll figures as mentioned earlier. Outsourcing labor, however, provides an alluring scapegoat for politicians and media alike. Lou Dobbs' program on CNN goes as far as to list corporations that outsource or "ship jobs abroad."[12] The blunt and clumsy direction the media and public leaders have approached the economy from has undeservedly utilized outsourcing as a focal point for their criticism. The real impact of outsourcing is far less than current opinion believes.

V. Conclusion

While outsourcing is and most certainly will continue to be a cause for some concern for the United States for the foreseeable future, it is not nearly the incredibly large problem it is made out to be by politicians. It is certainly a phenomenon we can deal with efficiently and effectively should we appeal to the laws of economics and rationally enforce our trade policies with other nations. By demonizing outsourcing and making it seem as the greatest scourge on our economy, politicians and media are doing Americans a great disservice. Rather than force inefficient economic policies through the legislature, the nation's leadership should focus on educating the public to the benefits of outsourcing, and invest in American society to help maintain favorable terms of trade for the American economy while allowing us to reap the benefits of a more liberalized trade policy with the rest of the world.

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NOTES

1 "Still Short of the Outsourcing Ideal." Steven Pearlstein. Washington Post. March 12, 2004; Page E01

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4 Ibid.

5 United States. Federal Reserve Bank of New York. "Has Structural Change Contributed to a Jobless Recovery?" Current Issues in Economics and Finance. New York, 2003.

6 Ibid.

7 Ibid.

8 Ibid.

9 ""Offshoring" Service Jobs: Bane of Boon – and What to Do?" Brookings Institute, pp.2

10 Ibid.

11 Ibid.

12 Bhagwati, Jagdish. Panagariya, Arvind. Srinivasan, T.N. "The Muddles Over Outsourcing" Journal of Economic Perspectives forthcoming: 4.

Water Resource Development and Disease

Jim Bunce

"No body could think himself injured by the drinking of another man, though he took a good draught, who had a whole river of the same water left him to quench his thirst." John Locke 1690

In 1690, the prevailing thought was that the abundance of water was so great that it was impossible for any human being to infringe upon another's right to the resource. While water is the most abundantly occurring substance on Earth, only 2.53 percent is fresh water. Additionally, approximately 2/3 of fresh water is locked up in glaciers and in permanent snow cover, leaving the entire human population with less than 1% of this presumed abundant resource accessible in lakes, in river channels, and under the ground to meet our needs as human beings.[1] The problem of water scarcity is aggravated by water pollution. The decline in water quality, especially near urban centers, has become a major problem. In certain parts of the world, water quality has deteriorated so much that it can no longer be used even for industrial purposes. Human health is at stake. The problem has become urgent in developing countries, where facilities to treat waste water are lacking and attempts to protect watersheds, as well as associated distributions systems are minimal. The consequences for health, grouped under the term "waterborne diseases," are enormous.[2] Further reductions in the amount of potable water are caused by pollution of various kinds. Approximately 2 billion tons of waste are disposed of in receiving waters each day. This waste comes in the form of industrial waste, chemicals, human waste, and agricultural waste. Assuming every liter of wastewater pollutes 8 liters of fresh water, the present burden of pollution may be up to 12,000 km^3 worldwide. The developing world is the most severely affected, with 50 percent of the population of developing countries exposed to polluted water sources.[3]

Closely associated with the overall availability of water resources is the problem of water pollution and human diseases. Presently 1.1 billion people, roughly 17 percent of the global population, lack access to improved water supply. 2.6 billion people, roughly 42 percent of the global population, are without basic improved sanitation services.[4] Lack of sanitary conditions contributes to approximately 12 million deaths each year, primarily among infants and young children.[5] Overall, waterborne infections account for 90% of all infectious diseases in developing countries.[6] Every day, diarrhoeal diseases cause some 6,000 deaths, mostly among children under five years old. Diarrhoeal diseases have killed more children in the past ten years than all the people lost to armed conflict since World War II. In China, India, and Indonesia, twice as many people die from diarrhoeal diseases as from HIV/AIDS.[7]

Presently, worldwide about 2 billion people are infected with one or more helminth species, either by direct penetration or by use of contaminated water or food**.** Helminthes are worldwide in distribution; infection is expanding at a rapid rate and is most com-

mon and most serious in poor countries. This expansion is due to an increase in suitable habitats for the snail intermediate-host population resulting from various human activities, including construction of dams and irrigation channels.[8] The distribution of these diseases is determined by climate, hygiene, diet, and exposure to vectors. Helminthes are transmitted to humans in many different ways. The simplest is by accidental ingestion of infective eggs (Ascaris, Echinococcus, Enterobius, Trichuris) or larvae (some hookworms). Other worms have larvae that actively penetrate the skin (hookworms, schistosomes, strongyloides). In several cases infection requires an intermediate host vector. In some cases the intermediate vector transmits infective stages when it bites the host to take a blood meal. In other cases the larvae are contained in the tissues of the intermediate host and are taken in when a human eats that host. The levels of infection in humans therefore depend on standards of hygiene considering eggs and larvae are often passed in urine and feces. These worms are often long-lived and are able to survive defenses through many evasion strategies.[9]

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The most serious helminth infections are acquired in poor tropical and subtropical areas, but some also occur in the developed world. Although infections are often asymptomatic, severe pathology can occur. Because worms are large and often migrate through the body, they can damage the host's tissues directly by their activity or metabolism. Damage also occurs indirectly as a result of host defense mechanisms. Because helminthes do not increase their numbers by replication within the same host, the level of infection is directly related to the number of infective stages encountered. Fortunately, not every exposure results in the development of a mature infection. Many infective organisms are killed by the host's nonspecific defense mechanisms.[10]

Aquatic organisms that spend part of their life cycles in the water and part as parasites in or on other animals are what primarily cause these illnesses. These diseases include Guinea worm disease, filariasis, paragonimiasis, clonorchiasis and schistosomiasis, and are caused by a variety of flukes, tapeworms, roundworms and tissue nematodes, often referred to as helminthes, that infect humans. Although these diseases are not usually fatal, they prevent people from living normal lives and impair their ability to work. The prevalence of water-based diseases often increases when dams are constructed, because stagnant water behind dams is ideal for snails, the intermediary host for many types of worms. For instance, the erections of the Akosombo Dam on Volta Lake in Ghana and the Aswan High Dam on the Nile in Egypt have resulted in huge increases of schistosomiasis in these areas.[11]

The incidence of schistosomiasis, which is closely associated with contaminated fresh water, is expanding worldwide and each year infects more than 200 million people and currently causes an estimated 1.2 million deaths per year.[12] Its increase is closely associated with the increase in habitats, including the construction of dams and irrigation canals, for the snail intermediate-host population to come in contact with humans.[13] For example, the construction of the Aswan High Dam and associated irrigation system in Egypt contributed to a sudden, unexpected increase in the transmission of intestinal Shistosomiasis in the human population; increasing from 5% of all Egyptians in 1968 to 77% in 1993.[14] Other helminth based diseases

such as guinea worm disease, river blindness, and lymphatic filariasis have been the targets of global eradication by the World Health Organization.[15]

The development of water resources is essential for a wide range of human activities. In particular, it is needed so that demands for energy and food can be met. However, during the past ten years, certain adverse effects of water resources development have received considerable attention. The global rate of population growth continues to outstrip capacity to meet the demands for food and basic services amid increasing poverty.[16] Therefore, if pollution keeps pace with population growth, the world will effectively lose 18,000 km³ of freshwater by 2050 – almost nine times the total amount countries currently use each year for irrigation, which is by far the largest consumer of the resource. Irrigation currently accounts for 70% of all water withdrawals worldwide.[17]

Further concentration on the impact of parasitic diseases in regards to people involved in or living near water resources projects, and the feasibility of mitigating, preventing, and controlling these diseases has become necessary. The incidence and prevalence of parasitic diseases and certain other communicable diseases remain the most dramatic and reliable indicators of the negative health impacts of development in Africa, Asia, and the Americas. Today, with a population doubling time of 34 years in the developing world, the need for dams and irrigation schemes is greater than ever before.[18] With population growth, demand for the world's finite supply of fresh water is rising, putting strains even on the industrialized countries. Global population projections suggest that the world population of over 6 billion in 2000 will increase 20% to over 7 billion by 2015, and to 7.8 billion by 2025, a 30% rise. Enormous strains will be put on existing services and substantial increases in the provision of water and sanitation will be needed to meet the needs of the swelling population. As populations grow and demands for water and other services expand, pollution levels will rise, while more water will be needed in agriculture to feed and nourish the large population.

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Microorganisms are present everywhere in our environment. Invisible to the naked eye, vast numbers of these can be found in soil, air, food, and water. Although humans are essentially free of microorganisms before birth, constant exposure (e.g., breathing, eating, and drinking) quickly allows for the establishment of harmless microbial flora in our bodies. Microbial pathogens, however, can and often do harm those who become infected. Moreover, diseases that healthy individuals are able to cope with may prove fatal to others with compromised immune systems. In some cases, an infection can persist to create a carrier state where a disease causing agent is harbored by the body and spread without any apparent symptoms. Since voluntary drinking water ingestion and bathing are universal practices and accidental ingestion during recreational activities is common, inadequate protection of water integrity could lead to widespread outbreaks. Because symptoms can be mild and short-lived, it is estimated that only a fraction of waterborne outbreaks are recognized, reported, and investigated.[19]

Long before the advent of modern medical care, industrialized countries decreased their levels of water-related disease through good water management. Yet, even in these countries, outbreaks of water-borne disease continue to occur today, sometimes with lethal consequences. In developing countries, preventable water-related disease blights the lives of the poor. Diseases resulting from bad hygiene rank among the leading causes of ill-health. Much of this suffering is needless. Health provides an effective foundation for de-

velopment and poverty alleviation. Improving water management is a powerful tool that can be used by individuals, communities and households to protect their own health. Good health leads to increased productivity, as well as a significant reduction in the number of man hours used in the acquisition of water typically the responsibility of women.[20]

Prevention of most of these illnesses and deaths can be achieved through simple, inexpensive measures. Policy approaches will vary, but in order to make the most significant impact to those in greatest need, a shift will need to occur in the ways development assistance is distributed and applied. Development aid should be primarily distributed to lower-income countries and applied towards better household water-quality management, coupled with improved individual and family hygiene, as well as the continued expansion of water supply and sanitation coverage. Disinfection of water with chlorine tablets at the point of use and safe storage, combined with limited hygiene education, provides the biggest health benefits at the lowest incremental cost. Disinfection of water at the point of use is consistently the most cost-effective intervention. In addition, improved hand washing is also highly effective. [21]

Rather than providing short-term potable supplies of water, the focus should be on permanent sustainable solutions for the under-served population in the developing world. Policy objectives should revolve around the need to assist people in the developing world to achieve adequate supplies of potable drinking water, leading to better health and higher standards of living. Small communities, often neglected by government, international agencies, and the corporate sector, are in the greatest need for attention. Introducing an appropriate water management plan in these communities is the primary ingredient for success and simplicity can often be the standout characteristic. For example, the introduction of sustainable technology consisting primarily of drilled wells with hand-operated pumps or electric pumps, the installation of latrines, and the establishment of a local management program and social services (including sanitation and hygiene promotion). Projects should be approached in a manner that relies on local labor and expertise in order for it to be sustainable for generations. Partnerships should be established, however, in order to provide limited support when needed, with local communities, global corporations, the public sector and non-profit entities.

These partnerships will create social value and business practice that will enable projects to achieve better outcomes. Critical issues associated with water exist at all levels and the public sector must become aware and commit politically to creating solutions. Villages that have fallen through the cracks should be the primary targets. These villages have been excluded from being connected to the central grid water supply and sanitary service network. In order for projects to be successful, it is necessary to create a reputation of trust with these communities through dependability.

Dependability is accomplished through a simple, self-sustainable system approach. Communities that lack safe drinking water supplies and sanitary service should be chosen on this basis. Engineers and project managers, in conjunction with the target community leaders, should assess the existing water sources and levels of contamination and determine which methods will be most effective in providing safe clean water for consumption through cost effective sustainable means. Technical expertise and support should be maintained at a minimum throughout the implementation and operational process in order to guarantee a sustainable outcome. Local individuals should be trained to use and repair the limited amount of technology involved. Once a project is completed, it would be best if external expertise would never be needed again. Complete local town government con-

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trol should be the ideal outcome.

Maintaining a simple approach can be difficult at times considering the complexities of expensive purification systems. The use of underground aquifers instead of surface water sources, by way of pumps, can alleviate the necessity of complex purification systems. Surface water is typically more likely to be contaminated than the protected underground source. It can sometimes be difficult to convince locals that the irrigation system water, lake, or stream that has provided them with water for generations is not good for them. They often like the way this water tastes and, by their measure, the water looks clean. By contrast, the underground aquifer water concept can seem odd to them and in some ways not as clean.

Drilling a borehole and installing a hand operated pump is the simplest approach and should be widely employed. Strong leadership is necessary throughout the implementation phase while incorporating community leaders in the decision making process and utilizing the basic skills of the town as a whole. This enables the town to understand what is being done and how to maintain the system for perpetual use. As part of the sanitary management plan, local builders should be trained to install latrines. It is important to convince the villagers of health and social benefits associated with clean water and the dramatic health benefits associated with using pit latrines and frequent hand washing.

Providing an entire village with a sustainable source of drinking water will result in the dramatic reduction of water-borne illness and death. In addition, new local jobs are created, including technician positions, trainers, and sanitation experts. On an individual community basis, hundreds of individuals who would otherwise be walking long distances for the accumulation of often contaminated drinking water will have the ability to use this time and effort for other, more worthwhile activities. The parties involved will feel results immediately. This tangible evidence allows the people to know that a service has been provided and will become a motivating factor in the maintenance of the system and the employment of further social techniques to minimize further contamination.

This development investment, which can be a significant one for many in the developing world, could produce great yields and will more than compensate for the initial investment while producing a moderate abundance of potable water and the ability to incorporate a more efficient irrigation policy associated with the local agricultural practices. The cycle of returns can be very promising, leading to job creation, greater agricultural yields, safe drinking water, and a slow progression towards a higher standard of living. Immediate impact can be seen in the health of the village's children and infants. Illnesses will be reduced as a result of an effective water management program. Infant mortality could decrease dramatically as a result of significant decreases in or prevention of diarrhea, intestinal parasites, cholera, dysentery, guinea-worm disease, infectious hepatitis, impetigo, schistosomiasis, trachoma, and typhoid. Indirectly, the improved system could potentially prevent malaria, dengue, yellow fever, and malnutrition. Villagers could potentially now live longer, healthier lives and the positive impacts of this may extend to their physical environment, standard of living, earning power, per capita income, and gender equality.

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NOTES

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Supporting the Family:
Rhetoric Versus Reality in American Social Policy

Margaret Johnson

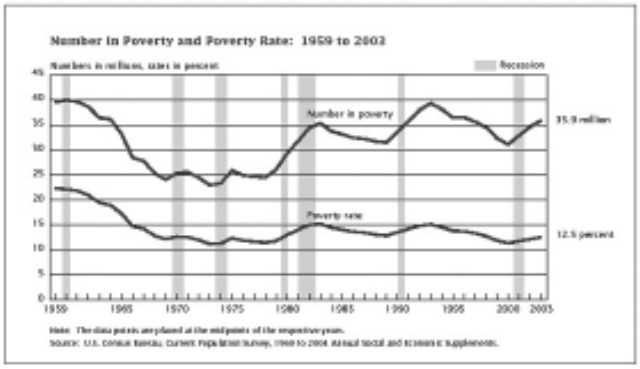
Elected officials and candidates of both major American political parties often speak of "family values" and say they favor policies to support the family. The most recent presidential election is no exception. President Bush campaigned on a plan for "helping families in a changing world" that included affordable health insurance, compensatory time in the workplace and abstinence education. Senator Kerry campaigned on a plan to help families by expanding health care coverage, increasing early childhood education and raising the child care tax credit.

This is more than election-year rhetoric—family cohesion is a legitimate policy goal. According to the National Institutes of Health, "Children who live in a household with one parent are substantially more likely to have family incomes below the poverty line than are children who live in a household with two parents." [1]

But does American social policy effectively support the family?

Much of American social policy is rooted in an individualist theory of poverty. This view holds that the causes and solutions to poverty lie with an individual's own motivation and effort. Creating financial incentives to work and teaching marriage express this view. Incentives clearly have an effect. Record numbers have left the welfare caseload since the Welfare Reform Act of 1996, and poverty rates decreased.

Yet, as of 2002, families just off welfare earned only about $6.50 per hour with no medical benefits. The percentage of individuals living in extreme poverty (defined as less than 50% of the federally- determined poverty line) remained at nearly 40% of the poor. The percentage of poor children experiencing moderate to severe hunger was rising.[2] Social policy that acknowledges poverty's structural causes and solutions has yet to be fully implemented in this country. [3]



This article reviews four national social policies whose rhetoric supports the low-income family but whose content undermines it:

1) work requirements for parents of small children;
2) marriage promotion programs;
3) employment and training programs and
4) the low-income child care subsidy.

Background: Welfare Reform, Welfare-to-Work and the Workforce Investment Act

In 1996, Congress passed and President Clinton signed the Welfare Reform Act (the Personal Responsibility and Work Opportunity Reconciliation Act, or PRWORA). The rhetoric of the new law declared it would: "1) provide assistance to needy families so that children may be cared for in their own homes or in the homes or relatives; 2) end the dependence of needy parents on government benefits by promoting job preparation, work and marriage; 3) prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and 4) encourage the formation and maintenance of two-parent families".[4] Its main provisions:

-abolish the entitlement "Aid to Families with Dependent Children" and replace it with the time-limited "Temporary Assistance to Needy Families" (TANF);
-require single parents to work 20-30 hours a week to receive benefits;
-make block grant funding to states contingent on meeting work participation goals;
-establish a $2.7 million low-income child care fund (the Child Care and Development Block Grant or CCDBG).

The following year, Congress passed the Welfare to Work Act of 1997 [5], a temporary program allocating $3 billion for welfare-to-work grants to states and local communities. Programs funded under this act promoted job opportunities and employment preparation for 1) the hardest-to-employ recipients of TANF and 2) non-custodial parents of children on TANF.

In 1998, the Workforce Investment Act, (WIA)[6] mandated the coordination of workforce services at new "one-stop-shop" service centers. Under the Act, Core services available to any job seeker include:

-information about job vacancies, career options, student financial aid, relevant employment trends;
-instruction on how to conduct a job search, write a resume, or interview with an employer.

The Act defines two additional service levels, "intensive" and "training," and develops a system of sequential eligibility intended to ensure that higher level services are limited to those individuals who are unable to find any employment without them.

The Workforce Investment Act of 1998 now awaits reauthorization. The Welfare-to-Work Act of 1997 recently expired. The Welfare Reform Act of 1996 is on its eighth temporary extension, which runs out March 30 of 2005. Members of Congress are at odds as to how to translate into new policy the experience of the past several years, particularly in changing work requirements and child care subsidy levels. The next several months offer an opportunity for Congress and the President to better align reality with the rhetoric of supporting the family in at least four major areas.

1. Work requirements

The rhetoric of welfare reform says that work supports the family by replacing dependency with dignity. Welfare Reform defines "work primacy activities" as: 1) paid or unpaid, including on the job training, work experience or community service; 2) vocational education training limited to 12 months; 3) job search, limited to six weeks and 4) providing child care for other participants.

Dr. Gwendolyn Mink of Smith College argues that for low-income parents of young children, these requirements undermine the family by decreasing the ability of low income parents to be effective caregivers for their own children.[7] What satisfies the work requirement does not necessarily increase recipients' income or prospects for advancement. Especially poignant is the recipient who must take a day care job but is not permitted to stay home with her own children.

Mink argues mothers who care for very young children at home offer something valuable to society that should be recognized as work.

1998 legislation[8] sponsored by the late Congresswoman Patsy Mink of Hawaii would have given unremunerated care work by welfare recipients the status of "earned income" for purposes of the Earned Income Tax Credit. [9] While numerous members of Congress signed on as sponsors, neither of the two major Welfare Reform reauthorization bills now pending (H.R. 4 and the Senate Finance Committee bill, H.R. 4737) includes this provision. In fact, both bills increase required work primacy hours from 20 to 24 per week.

One of the main arguments for promoting marriage is that families with two parents are less likely to face economic hardship. However, poverty may be both the cause and the effect of broken families.

2. Marriage promotion

The rhetoric of welfare reform says we should promote two-parent families because they reduce welfare dependency and improve child well -being. Welfare Reform included funding for so-called marriage promotion programs. Over the past three years, the federal Administration for Children and Families has committed at least $90 million in grants for marriage promotion demonstration projects, technical assistance, research and evaluation. The four main types of marriage promotion program now being pursued by states are: (1) state policy initiatives, commissions, and campaigns, (2) changes in state marriage and divorce law (specifically covenant marriage laws and license fee reductions for couples who have premarital counseling), (3) programs, activities, and services, and (4) policy changes related to marriage and two-parent families in TANF and child support.

Marriage promotion finds some justification in research. Empirical findings confirm that children do best when raised by their married, biological parents. Children who do not live with both biological parents are roughly twice as likely to be poor, to have a birth outside of marriage, to have behavioral and psychological problems, and to drop out of high school. [10]

However, an overview of the research on marriage promotion results suggests that these findings have been oversimplified and exaggerated, and that most children living in single parent families thrive. While there is still scant evidence that marriage promotion programs promote marriage, prolonging contentious marriages can, instead, reduce the emotional and physical well-being children.

Congress is now considering a Bush Administration proposal within Welfare Reform reauthorization for $1.5 billion in dedicated funding over five years for activities to promote healthy marriages.

One of the main arguments for promoting marriage is that families with two parents are less likely to face economic hardship. However, poverty may be both the cause and the effect of broken families. Poverty is associated with lower levels of marital happiness and greater marital conflict because of greater stress.[11] Economic hardships can lead to depression, which can contribute to hostile marital interactions that can lower marital quality.[12] Offering the right job training and work supports may be more effective ways to assure family cohesion because they reduce long-term stresses on the low-income family.

3. Employment and training programs.

The rhetoric of welfare-to-work training programs says that instead of giving the poor food, government should "teach them to fish". Charles Murray's seminal work, "Losing Ground" [13] argued that given the right incentives, the poor will readily choose work in favor of public benefits. Welfare Reform imposed powerful new incentives to work in the form of time limits, benefit cut-offs for individuals failing to meet

work requirements and funding reductions to states for failing to meet minimum work participation rates.

Both major pending Welfare Reform reauthorization proposals (H.R. 4737 and H.R. 4) include an increase in the required work participation rates for states, from 50% to 70%. Sheldon Danziger, Director of the Research and Training Program on Poverty and Public Policy at the University of Michigan**,** speaking at the 2003 Association of Policy Analysts and Program Managers (APPAM) conference, stated that work participation rates for welfare recipients in most states are hovered in the 30- 40- percent range. Danziger asserted that Welfare Reform reauthorization proposals under discussion to raise the standard to 70% "wildly ignore" what is known about work limiting conditions in the current welfare caseload. At the same conference, Richard Bavier, a policy analyst at the U.S. Office of Management and Budget presented data from the Census Bureau's Survey of Income and Program Participation (SIPP) confirming that "persons reporting a work-limiting condition [such as not having completed high school, having three or more children, and having a medical condition] are becoming more and more common in the residual TANF caseload."

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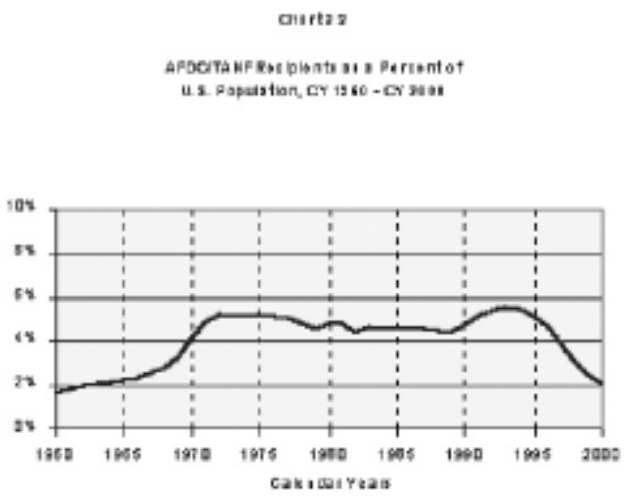

In a 2000 synthesis of evidence on the effectiveness of employment programs for adult recipients of welfare benefits, Lisa Plimpton and Demetra Smith Nightengale of the Urban Institute conclude: "Most welfare employment programs that offer low-cost, low-intensity services (like job search assistance and short-term unpaid work experience) have positive impacts on employment and earnings, and in some cases reduce welfare costs." However, they add that "More comprehensive training programs offering services like supported, paid work experience and occupational training generally have larger and longer-lasting impacts."[14]

More of today's welfare leavers will need significant training and work supports than those of the late 90s. However, such programs are historically under-funded. According to Garth Mangum of the Johns Hopkins University Levitan Center for Social Policy Studies, "the major fault of past and current … efforts…has been limiting training to occupations which do not commend substantial wages…. Funding capable of enrolling only a small fraction of those eligible led program operators to concentrate on lowly-paid occupations requiring short training times."[15]

Despite employers' and local economies' demands for skilled workers, according to an April 2004 Bush Administration report entitled *A New Generation of American Innovation*, only 206,000 individuals received training under WIA during Program Year 2002. The President has proposed doubling the number of workers trained under WIA without increasing adult or dislocated worker funding levels.

4. Low-income childcare subsidies.

The rhetoric of Welfare Reform says parents should work. If supporting the family does not mean allowing low-income parents to care for their children

at home, does it mean funding good childcare for the working poor?

Access to reliable childcare is strongly linked to work success for parents leaving welfare. Data from the Census Bureau shows that "among former welfare recipients with young children, using center care led to half remaining employed after two years, while only 18.7% of those who did not use center-based care remained employed for this long." [16]

High quality childcare can have significant and lasting effects on cognitive and social development. According to a 1995 multi-study analysis by Dr. W. Steven Barnett of Rutgers University, "The weight of evidence establishes that [high quality] early childhood care and education can produce large effects in IQ during the early childhood years and sizable, persistent effects on achievement, grade retention, special education, high school graduation and socialization."[17]

Policies set in an individualist frame of poverty lack a larger picture. The larger picture must include structural realities constraining individual agency.

Center-based childcare is typically more reliable and is more subject to improvement through regulation than informal care with relatives or friends. [18] Yet low-income families lack full access to center-based care. The United States Department of Health and Human Services reported in December of 2000 that 1.8 million children in low-income families were receiving federal child-care subsidies on an average monthly basis. This represented only 12% of the estimated 15 million who were eligible for federal child care subsidy. Since that time, yearly expenditures for the CCDBG have remained level while the numbers of parents leaving welfare for work and needing child care assistance have risen. [1]

Both major Welfare Reauthorizaton bills include an increase in child care funding of $1 billion over five years, requiring a state match. This amount falls just short of what would cover increased work hour requirements contained in the Senate Finance Committee bill, and falls significantly short of the amount needed to cover the work requirements of H.R. 4, estimated in the $3- to $9- billion range. [20]

Rhetoric meets reality

Peter Rossi, creator of the much-quoted "Metallic Laws" of policy evaluation [21] contends that the number one error committed in social policy formation is to misunderstand the nature of the social problem. Policies set in an individualist frame of poverty lack a larger picture. The larger picture must include structural realities constraining individual agency in the American economic system. Effectively supporting the low-income family means reducing structural stresses on families and offering meaningful supports to work. The next round of national policy changes in welfare and workforce policy has an opportunity to move closer to this ideal by: 1) relaxing work requirements for parents of very young children; 2) diverting funding earmarked for marriage promotion to expanding training programs for the disadvantaged and 3) fully funding proven work supports such as high quality, center-based child care.

A second-year CIPA fellow, Margaret Johnson is focusing on social policy, in particular, employment and training policy for the disadvantaged. Prior to coming to Cornell she served as legislative aide to the Cornell community's State assemblyman for 15 years.

NOTES

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The Earned Income Tax Credit (EITC) is a refundable Federal tax credit for eligible individuals and families who work and have earned income under:
*$11,490 ($12,490 if married filing jointly) if there is no qualifying child
*$30,338 ($31,338 if married filing jointly) if there is one qualifying child
*$34,458 ($35,458 if married filing jointly) if there is more than one qualifying child." www.irs.gov
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To Start A School

Bill Ohl

Three years ago I left the Cornell Institute for Public Affairs to join Teach for America. Teach for America (TFA) is a non-profit organization that recruits top college graduates from elite universities to teach for a term of two years in school districts that have a difficult time attracting teachers. The idea of the program is that for two years these TFA corps members will develop a deep sense of outrage over how disparate the educational experiences of children can be in America. These corps members will then take that outrage with them into their careers in law, medicine, banking, and business and hopefully continue to fight for educational equity and for children. Many of the teachers decide to stay in education past the two years as teachers, administrators, or in educational policy. I was assigned by Teach for America to teach in the South Bronx. The first school I taught at was Joseph H. Wade Academies. The school was a mess. The school was declared a Chancellor's District School because upwards of 90% of the students had failed their citywide achievement tests in both Math and Reading. Our school was reported as one of the worst 11 schools in New York City. Reporters would wait outside of the school to ask us why our school was failing so badly. This was an unnerving thing to deal with as a first year teacher. The building was built for about 1,200 students and we were enrolled at a crowded 1,400 plus students. Six teachers quit in the first few weeks of school. Many of the teachers who did not quit had high absentee rates forcing the teachers who were in attendance to cover their classes. Covering classes is a necessity because substitute teachers will not go to the South Bronx. While you do get paid for covering a class it often is not worth the money because you must give up your preparation time for your own classes. I had to cover over 50 classes in my first year of teaching. That means there were 50 times during the school year that I was not as prepared as I could have been for my students. For a period of time I taught my 6th Grade Reading class in the cafeteria because we didn't have enough rooms. Imagine the challenges of trying to teach students how to read while food is noisily being prepared for 1,400 students less than 50 feet away. My students and I would have been

Imagine the challenges of trying to teach students how to read while food is noisily being prepared for 1,400 students less than 50 feet away.

left to fail in the cafeteria if I hadn't made up my mind that it was simply unacceptable to be teaching students there. I sought out another Teach For America teacher at our school and asked if we could teach our classes together. Teach For America typically places corps members in a school together so they can be supportive of one another and work together to make change. The teacher I approached had one year of experience and her classroom management was excellent. Together we combined our classes and co-taught them reading. Our students began the year reading the book The Island of the Blue Dolphins, which is about a fourth grade reading level. They were clearly below the sixth grade reading level that they were supposed to be at. By the end of the year our students were reading To Kill a Mockingbird, which is about an 8th grade reading level. Our successful experience in teaching those students my first year was pivotal in convincing me of the power of education and educators to make a difference in students' lives and on their opportunities to succeed. I was shocked to find at the end of the school year that I was excessed from the school. That means they were not asking me to teach again the following year. This was a particular slap in the face because I had grown to know many of the students and teachers at the school on a personal and professional basis. Even worse, I had a successful first year by many measures. My students scored significantly higher on their standardized test scores while the aggregate scores of the school remained the same. The administration told me not to take it personally and that they had to excess me because my teaching license was for elementary and not middle school. How could I not take it personally? I had worked extremely hard to be a successful teacher and to not be appreciated for my effort and success was a tough lesson. In hindsight, I am grateful for the opportunity it provided me because it gave me the chance to help create a school from scratch.

April Goble, my contact at Teach For America began looking for teaching positions for me when she heard the news that I had been excessed. She called me and said she knew of someone who was starting a school and was looking for dedicated teachers to help. April described Ramon Gonzalez as having vision and being extremely dedicated. That was exactly the kind of school leadership I was looking for, so I went to meet Mr. Gonzalez. At the time he was the Assistant Principal of a large Middle School in the South Bronx. On our first meeting he took me through the neighborhood where he grew up in East Harlem. We walked by burned out buildings and down impoverished streets and although I didn't know it, he was watching me to see how I reacted to being there. Over dinner he told me that I passed his test and we talked about how he ended up in education. He grew up in East Harlem during the crack years but was lucky to have a YMCA baseball coach who encouraged him to take a test that awarded the high scorers a scholarship to Boarding School. For his part, Mr. Gonzalez was smart enough to pass the test and he attended a Boarding School in Massachusetts. From there he went to Cornell University where he studied gangs and gang violence. He realized that many of the young men who joined gangs were highly intelligent but lacked economic opportunities as a result of poor education. Mr. Gonzalez decided that he would start a good community school. He believed that a small community school where teachers would know all of the students was the ideal setting because it would create a sense of community, accountability, and shared purpose. Over dinner I talked to Mr. Gonzalez about my frustrations working in a school that lacked vision. My school had been just the opposite of a small community school. Teachers knew only a small fraction of the students and there was little sense of community between the teachers, the teachers and administration, and the staff and the students. I told him about the chaos of teaching in the cafeteria, the lack of guidance by the administration, and the general feeling of defeat that was the culture of the school. Mr. Gonzalez assured me that he would be an instructional Principal and he would help us develop professionally as teachers. He talked about many of the ideas he had to set our school apart. He wanted to name the school The Laboratory School of Finance and Technology because money and technology are two things that students are really motivated by and interested in. Mr. Gonzalez

also talked about creating a school economy to teach students about finance and economics and serve as a rewards system to encourage good behavior. The one thing he emphasized over and over was the commitment he expected of me if I was hired. Teach For America teachers sign up to teach for two years. Mr. Gonzalez knew that I was headed into the second year of my two-year commitment and he wanted me to agree to stay longer. He said that ideally teachers would stay for five years but that he needed my word that I would stay for at least three. I agreed and he hired me over dinner. That night we set out to start a new school.

To be given the chance to help start a school in my second year of teaching was an incredible opportunity.

I was incredibly excited to have the opportunity to help build a new public school with a Principal who was highly motivated and had a real vision. To be given the chance to help start a school in my second year of teaching was an incredible opportunity. The first thing we did was interview students for the school. Our district is a choice district meaning that parents can choose what schools to send their students to. The trick is that students must apply to the school and the schools can either accept or reject them based on test scores, behavior, report cards, or other factors. Because our school started so late in the process and because our reputation was non-existent, the only students we had apply to our school were students who didn't get accepted anywhere else. To make it seem like it was a privilege to attend our school we set up interviews with the majority of our students to give the perception that we could accept or reject them even though we really had to accept them if we wanted to reach our enrollment goals. Mr. Gonzalez, his wife, and I interviewed incoming 6th Graders for over 30 hours. We used this time to speak with parents and students about our expectations for students who would be accepted to our school. Some of the basic points we repeated were the rigorous academic expectations, the school uniform policy, and need for consistent attendance. Poor attendance is a serious problem in our school district. When students miss classes they are more likely to fail because they miss what they are supposed to be learning. School funding is also based on attendance so our insistence on attendance was not purely academic in origin but also born of financial necessity. Our early insistence on good attendance and our continual articulation of the value of showing up and being present combined with interesting activities for students to participate in has led to our school having the best attendance in our cohort of schools.

Following the interviews of the students we began to interview teachers. Our lack of reputation and our timing in starting the school combined to make it nearly impossible to attract veteran teachers. Under normal circumstances, it is difficult to attract veteran teachers to the South Bronx, yet we also faced another obstacle in that we were starting in April, when most teachers had already taken placements at other schools. Mr. Gonzalez made the decision to look to Teach For America to hire highly motivated although likely inexperienced teachers to help start our school. This is a decision that he has mixed feelings about to this day. On the one hand he needed teachers who would go above and beyond the job description to make things work. That is exactly what he got from Teach For America. The teachers that he hired were highly motivated and would consistently work later than school hours. Many teachers worked Saturdays and over vacations to establish extra-curricular programs and create administrative systems to help the school run smoothly. However, one thing that complicated the kind of commitment teachers showed in our school's first year was that because they had no background in education they were required by the city to enroll in Education Masters Degree programs to stay provisionally certified. To work a long day and then go to class at night is a punishing schedule and wore many of the teachers down. Also, the lack of experience began to show during the first couple of months as students began to test the teach-

ers' classroom management skills. Discipline issues became a real problem for many of our teachers as the year wore on. To Mr. Gonzalez's credit he invested heavily in our professional development as a staff when he recognized the need and brought in consultants. One consultant was particularly helpful for me. She taught me multiple classroom management skills to make my instruction more effective as well as methods for teaching mathematics. I was trusted by Mr. Gonzalez to teach mathematics because we couldn't find a teacher from Teach For America who wanted to teach mathematics. This is actually a citywide and even nationwide problem. Teachers unions often refuse to allow some teachers to be paid more than other teachers who have the same level of experience. This makes it extremely difficult for school districts to attract teachers who are qualified to teach math and science. Most people with strong science and math backgrounds tend to gravitate towards the lucrative fields of engineering and business, rather than the modest paying field of education. This has created a serious void in math and science education, which probably contributes to fewer and fewer American students who are proficient in math and science. Both the first class of incoming students at our school and this year's class of incoming students are grade levels stronger in their literacy skills than their math skills. Students are generally on or approaching grade level in literacy according to standardized tests, but are usually far below grade level or merely approaching grade level in mathematics. I have to admit that it was a daunting task to teach math in a way that was exciting and captivating to students. Many of my students did not have basic addition and multiplication skills. Too often elementary teachers don't feel comfortable teaching math and neglect it, focusing more on literacy. It is a great challenge to teach students algebra and more advanced math concepts such as exponents when students are missing the fundamental concept of multiplication. In fact, my greatest struggle has been learning to teach math without a mentor teacher who is a truly excellent math teacher. As I mentioned earlier our school is almost entirely made up of first and second year teachers. I am only in my third year of teaching and only my second year of teaching math. We do have two veteran teachers but they are both literacy teachers and cannot mentor me in math instruction.

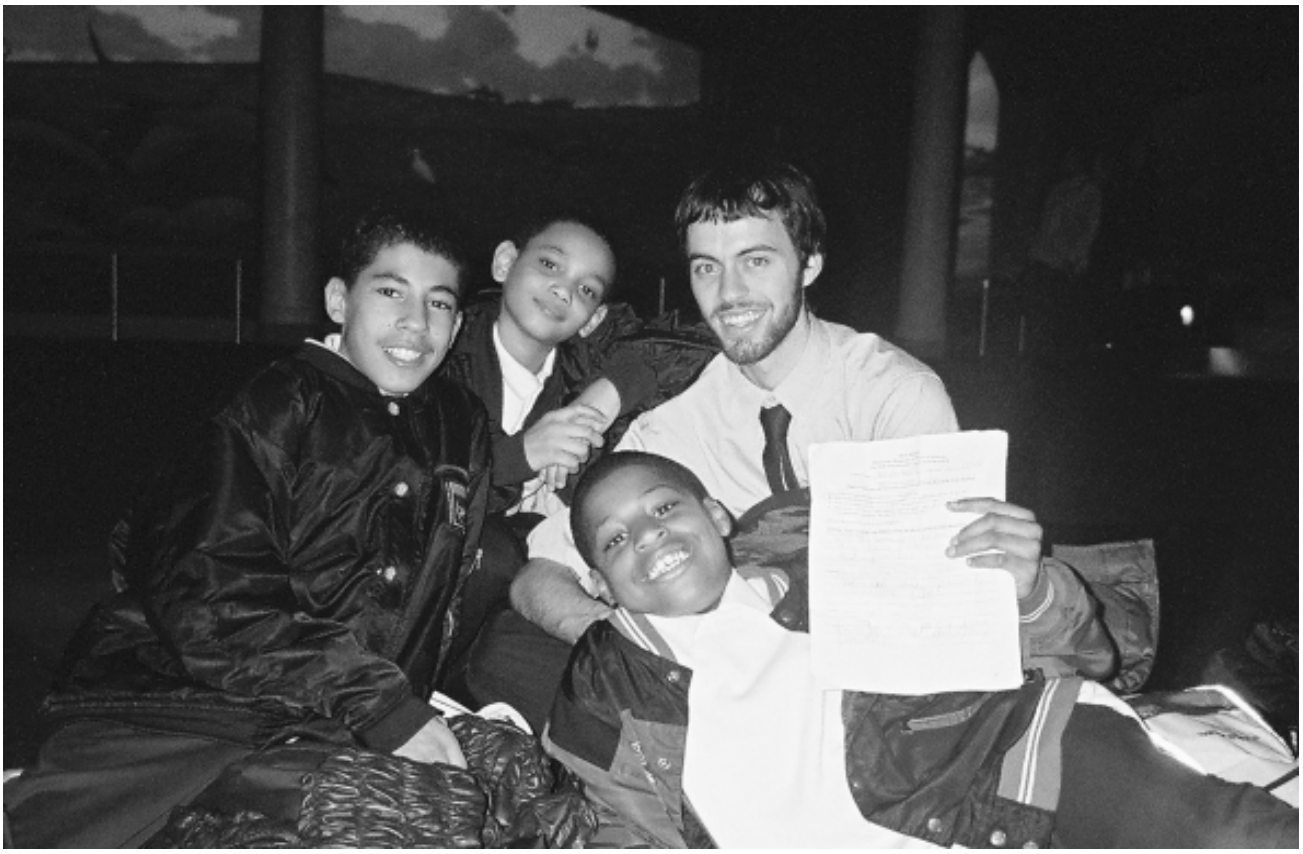
While being a part of TFA has provided me with a strong support network it can often be very isolating to be a teacher. At our school we share best practices and great lesson plan ideas, yet without a master teacher to guide you and to observe, it can often be a daunting task to continually improve and learn from your mistakes. As I mentioned earlier, Mr. Gonzalez had mixed feelings about hiring so many inexperienced teachers. In the end, I'm sure he would make the same decision again because the teachers are highly educated and are strong in the subjects they teach. It has been a great investment on his part though because there are some things in teaching that only come with experience and our first year was rough. He says that the investment will pay off if the teachers stay past their two year commitment to Teach For America. This is the second year for many of them so the next few years will determine if that is the case or not. One major challenge for Mr. Gonzalez as the principal is to keep his teachers teaching. Continuity and experience are necessary ingredients for a successful institution.

One of our major challenges as a new school is creating a reputation that our school is safe and successful.

One of our major challenges as a new school is creating a reputation that our school is safe and successful. To create that reputation, our first goal has been to provide excellent academic instruction. This is and has been accomplished by many long hours of planning interesting lessons, sharing ideas with colleagues, and many professional development meetings. Some of the great lessons taught this year include teaching physical science by making ice-cream, building ecosystems in life-science, creating a restaurant menu,

business plan and budget in technology, playing the stock-market game in math, designing and an ancient Babylonian city complete with Ziggurats, and writing persuasive essays on the environment to President Bush in English class. On top of our rigorous and engaging academic programs we also offer extracurricular activities in the form of after-school programs including remediation and enrichment classes, after-school basketball, and sculpture, drama, dance, and art classes. On Saturdays we have a step-team, a dance class, art, computer game time, and a sports league. Soon we will be creating a video class where students create, edit, direct, and produce movies, commercials, and music videos. These activities serve multiple purposes in getting kids excited about school, giving them productive things to do after-school, and helping motivate them to do well in school so that they can participate in these programs. We also partner with Junior Achievement, an organization that brings in business leaders to teach students about personal finance. Our Junior Achievement partner is Banco Popular. Managers from the Bank come in each week and teach students how to balance checkbooks, create budgets, and manage their money. We also take our students on trips to the Federal Reserve Bank of New York where they learn about currency and how money works in the economy.

One central aspect of our school is our technology program. Each student gets five 45-minute periods of technology per week, which is more than most schools. Some of our students are also involved in the Mouse Squad. The Mouse Squad is student club that is run by our technology teacher Steve Trust. Students on the Mouse Squad learn to become computer technicians that can take apart computers and put them back together. They also learn to solve software problems and are the computer technical support for our entire school building. This spring we are starting a school garden. We have received grants from Cornell University, the National Garden Association, and Captain Planet to build a school garden. Students will not only grow the food but they will sell it to the community as entrepreneurs. One of our greatest continuing challenges is lack of resources. Many schools in New



York City have Parent Organizations that raise money to hire extra teachers or create extra-curricular programs. Our school serves a population that is in poverty. Ninety-eight percent of our students receive free and reduced priced lunches. There is not a lot of extra money to be spent on supplies, field trips, or computers. We don't have enough books for our students to read and we don't even have a school library. One way we overcome our lack of funding is by writing grants, but it is extremely time consuming to write them and there is no guarantee that you will actually be awarded the grant. If you are reading this article and find that you have extra supplies or books that you don't need or would like to make a donation to our school it would be greatly appreciated. Our students are overjoyed when books or supplies are donated. We are always looking for resources to help our students succeed.

One thing that is a serious problem is that we don't have enough classrooms for our students. Last year during the year we moved schools because of a dire lack of space. We moved over the winter break and it was an intense and difficult experience. I will never forget working for 10 hours on Christmas Eve moving boxes from our old school building into the new one. The move was a punishing bump in the road for the school. Many materials were lost or became disorganized and a break that was supposed to be refreshing became a tumultuous event. Even in the new school building we find ourselves without enough classrooms. One of the reasons for this is the city keeps sending us more students than we were chartered to accept. Each grade is supposed to have 150 students but this year they sent us 30 extra students. Unfortunately, we are sharing the building with three other schools and there is just not enough space for us. One of the schools will have to move out by next year so that we can add a new grade and have a 6th, 7th, and 8th grade.

It has been an incredible learning process going from teaching in one of the "worst" schools in New York City where my influence was confined to my own classroom to helping build a successful school where creativity, hard-work, and vision are valued. It is incredibly empowering to work in an institution that has a clear vision and a staff that is unified and highly motivated. I am grateful to Ramon Gonzalez for giving me the opportunity to be a part of founding a school. The opportunities for leadership that he has given me have developed my skills and aspirations beyond what would have been possible elsewhere. I also am deeply grateful to Jerome Ziegler who inspired me to become an educator by showing me the power of education to effect change. The example of his life and his devotion to educating the future leaders of our world has been a source of strength for me. Professor Ziegler was a great mentor to me at the Cornell Institute for Public Affairs and I only hope that I have the same effect on my students that he had on me. My experience at CIPA has been instrumental in helping cope with the rigors of teaching in the South Bronx. The organizational skills that I was forced to learn in CIPA have been extremely useful. The study of government, economics, and statistics have also helped me understand the system I am now a part of and what might be the best ways to effect change on a macro level. If it wasn't for CIPA, I might not have found my calling in education. On a CIPA trip to Washington D.C. we visited Senator Jay Rockefeller from West Virginia and one of us asked him what he would do to effect great change if he was starting out from grad school and going into the working world. The Senator immediately replied that he would become a teacher in an under-resourced area. I was considering Teach For America at the time and found it inspiring that Senator Rockefeller recognized the power for change in teaching. Each day that I teach my experience confirms the truthfulness of his words. My job is to be a role model for young people, to empower my students to problem solve, and to offer them a vision of opportunity.

Bill Ohl completed his MPA at the Cornell Institute for Public Affairs in 2002. Prior to that, he received his undergraduate degree from Cornell University in Industrial and Labor Relations. In the future, he plans to continue to work to improve education in New York City and throughout America.

Cornell Institute for Public Affairs Profiles



Kaitlin Nelson

Linston Terry

Husam Abdulhabib Al-Sharjabi

Kaitlin Nelson, 26
Omaha, Nebraska
International Development, Women's Studies

Kaitlin Nelson, who minored in women's studies, sociology and history before graduating from Hamilton College in 2001 with a B.A. in Spanish, took a rather indirect route to Cornell's Institute for Public Affairs.

Following her undergraduate studies, Nelson ventured to Bolivia to spend a year working as a counselor with troubled youth and street kids in South America. Within a few months, the terrorist attacks of September 11th occurred and Nelson watched from afar as the policies of her country shifted in a manner she was wholly uncomfortable with. Nelson soon returned to the states and while running an after-school program for inner-city, Latino youth in Omaha, became increasingly frustrated with the direction in which her country was headed. But she was unsure of the best way to make a difference. One thing was certain, Nelson said, she became disillusioned with what she could achieve as a social worker.

"I wanted to address the roots of these social problems, not just apply a Band Aid. It seemed to me that I was only addressing problems at the surface level," Nelson said.

Pursuing a more radical path, Nelson left Omaha and traveled to Burlington, Vermont, where she worked myriad odd jobs to support herself while volunteering with a social justice organization. The organization, Action for Social and Ecological Justice, addressed issues related to Latin America, which appealed to Nelson and she worked as an unpaid intern doing research, managing the group's donor databases and organizing volunteers. But here Nelson quickly became disenchanted, too; she had found a group of people who shared her passion for affecting social change, but felt their tack was ineffective.

"I thought to myself, 'These folks were just angry,' and I started to think that changes in policy affect peoples' lives more than protests," Nelson said. "I realized that to actually affect social change you have to understand the existing system and work within its strictures."

Nelson left the social justice group to spend the following winter as a "ski bum," giving lessons to children at Stowe mountain by day and scouring the Internet for graduate study options by night. Nelson found CIPA and was impressed with the number of opportunities it provided to pursue study abroad.

She is presently pursuing her M.P.A. in international development, which she hopes to compliment with additional courses in women's studies. Nelson said she would like to return to Latin America one day to help channel women into the public policy arena, where she believes women's unique perspectives, skills and influences can help build peace and resolve conflicts in the region. Nelson is currently pursuing an opportunity to work as an intern with UNIFEM, the United Nations development fund for women, to witness firsthand the broad context through which international development decisions are made.

-Travis Durfee

Linston Terry, 24
Washington, D.C.
International Development and Security Studies

Though not typically considered requisite for a career in diplomacy, managing his own eviction company provided first-year CIPA fellow Linston Terry with a unique perspective on the art and practice of negotiation. There were the meetings with magistrates, the court dates, the paperwork for Terry to manage, all on top of mediating between the disputing parties.

"It's not exactly working with internally displaced persons or refugee resettlement—but, I got to handle it all," said Terry, a native of Washington, D.C., who founded the business, Southern Express Eviction Company, in late 2003 while making plans to pursue graduate studies.

The entrepreneurial spirit that drove him to pursue the business venture was nothing new to Terry. As a child growing up on Georgia Avenue in Washington, D.C.'s north side, Terry spent many mornings, afternoons and weekends sweeping the floors at his local neighborhood barbershop. Terry would get a chance to practice his craft on Sundays, when the shop's owner would offer free haircuts the neighborhood's homeless. Terry received his barber's license by 16 and cut hair to pay his way through college—with a local shop and in a dormitory broom closet at Morehouse College.

Terry graduated from Morehouse College in May 2003 with a B.A. in Economics and International Studies, and a Spanish minor. He stayed in Atlanta following graduation to work as Assistant to the Policy and Advocacy Unit with C.A.R.E. U.S.A. There, Terry provided logistical support for the unit, coordinated fundraising efforts, wrote e-advocacy letters, and maintained and wrote for the organization's Web site. But it wasn't too long before Terry realized a disconnect between what he wanted to contribute to the organization and what he would be able to contribute given his skills, experience and education. Seeing that all of his superiors at the aid organization had received M.P.A.s, Terry decided to pursue the same goal himself at Cornell's Institute for Public Affairs.

"I think the program's coursework will help refine my skill sets, but I also like the interdisciplinary aspect of the program, which allows me to hew out my own course of study," Terry said.

He was also impressed by the university's commitment to providing opportunities for its students to study abroad that drew Terry to Cornell. He immediately took advantage of a program that would allow him to visit India for two-and-a-half weeks over winter break, a capstone to a course on international agriculture and rural development Terry finished during his first semester at CIPA.

"I've had a chance to study micro-credit finance schemes in classrooms, but it's another thing to be in India and witness the effects of these programs firsthand," Terry said.

Terry said he wants to continue the pursuit of international studies, particularly issues related to security, during his remaining three semesters at CIPA. Though Terry's studies will in all likelihood take him to far-flung places, he isn't forgetting about his roots. One day Terry said he hopes to return to Washington, D.C. to run for mayor and work toward securing congressional representation for the District.

-Travis Durfee

Husam Abdulhabib Al-Sharjabi, 29
Sanaa, Yemen
Public and Non-Profit Management

After working for about 8 years, it wasn't the easiest decision for Husam Abdulhabib Al-Sharjabi to return to school to pursue a Masters of Public Administration (MPA).

Al-Sharjabi, a Fulbright scholar who holds a bachelors degree in computer science from Amman University in Jordan and a Masters degree in information systems security from Glasgow University in the UK, spent the past 8 years teaching in Yemeni universities and working as an IT consultant. Al-Sharjabi started two private sector companies and served as the Information Security advisor for the Yemeni Presidency National Information Center, and the country's Foreign Ministry. But to leave his growing businesses behind, Al-Sharjabi chose pursuing his long-term objectives—serving the Yemeni government in a positive and effective manner—over short-term financial gains.

Al-Sharjabi will focus his studies at CIPA on Public and Non-Profit Management, particularly in developing countries, where he hopes to develop his interests in public administration, economic development, and political institutions.

"I am trying to focus on areas that can be applicable in Yemen on the short-run given Yemen's specific priorities," Al-Sharjabi said. "Yemen is one of the poorest countries in the world and, like many other developing countries, faces many challenges such as poverty, pervasive corruption, and slow economic growth. These issues are further compounded by high population growth."

At CIPA, Al-Sharjabi wants to develop a broad range of analytic and leadership skills that he believes are necessary to initiate and implement major political, social and economic change. Al-Sharjabi also wants to study developments in U.S. social and political history to gain an understanding of lessons he can re-apply (or avoid) in Yemen.

Upon retuning to his home country, Al-Sharjabi said he will seek to apply the knowledge and understanding acquired at CIPA to better the inform his decisions related to policy development, implementation and evaluation within the Yemeni government. Al-Sharjabi also hopes to bring the knowledge he aquires at CIPA home his country's universities, where he hopes to teach public policy and management to develop the skills of other public sector officials.

Al-Sharjabi says he chose CIPA because of its flexible program and the university's reputation, but the school's location also played a part in the decision. "Ithaca is a calm, safe, and family-friendly city," Al-Sharjabi said. "Because I was coming with my wife and 2-year old son, the location of the university was an important factor in making my decision."

Al-Sharjabi says that 3 months into the program, he is glad to have brought his family halfway around the globe to CIPA, "not only because of the faculty and the university's facilities, but also because of the other CIPA fellows—a diverse group of intelligent, friendly and motivated people."

-Taskin Temiz and Travis Durfee