

# The American style of development aid to Liberia



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## ABSTRACT

*There is a growing corpus of literature on the critical issue of the various styles used by donors in giving development aid to recipient states in various parts of the world, including Africa, Asia, Europe and Latin America. This article seeks to contribute to the body of literature by examining the nature and dynamics of the American style of development aid to Liberia and the resulting implications for the latter's social and economic development. Using the realpolitik model as its analytical framework, the article situates the American style of development aid giving within the broader context of Liberia-United States (US) relations. Based on this foundation, the article then interrogated the flows of US development aid to Liberia from 1946–2013. The findings indicate that the American style of aid giving is ostensibly designed to serve the economic, political, military and strategic interests of the US. In this vein, Liberia is required to serve as a foot soldier in the promotion of American national interests in the former and elsewhere. Accordingly, in terms of the implications for social and economic development, for the past six decades American development aid has not helped to advance the material conditions of Liberia's subaltern classes. However, in order to change this situation, the US would need to rethink the realpolitik foundation of its development aid programme and the Liberian government would need to press for such a policy rethinking. However, both of these possibilities are highly unlikely, given the US' determination to prosecute its imperial project and its clientelist relationship with the Liberian government.*

**Keywords:** dependency, development aid, Liberia, realpolitik, United States, vulnerability

## 1 INTRODUCTION

Historically, development aid has been one of the major pillars of Liberia's bilateral relations with various states, especially the developed countries. Several countries in the 'global North' – Canada, Germany, Japan, among others – have given bilateral development assistance to Liberia for several decades (OECD 2009). For example, in 2013 the total amount of bilateral development aid to Liberia from 19 donor states stood at US\$785 million (Aid Management Unit, Ministry

of Finance, Liberia 2014). Particularly, in view of the monumental development conundrums wrought by two civil wars (1989–1997 and 1999–2003), development aid has assumed increased importance in the conduct of Liberia’s foreign relations. For example, in 2011, development aid accounted for about 70.2 percent of Liberia’s gross national income (Global Humanitarian Assistance 2014:1). In articulating the important role of development aid to Liberia’s postconflict peace-building project, President Ellen Johnson Sirleaf asserted,

Over the past two decades of decay, a criminal culture took root. Our power grids were looted of everything, including hundreds of miles of cable. Our water pipes deteriorated – or were dug up or stolen. Only a quarter of our population has safe drinking water ... Only ten percent of our communities have healthcare facilities.... Aid needs to be more streamlined – be made more effective and more responsive ... Multi-year commitments are needed so that developing countries can plan and prioritize (allAfrica.com 2006:1).

One of the critical emergent issues revolves around the various approaches or styles that donor states have, and continue to use in giving development aid to Liberia. Against this background, this article has two major purposes. First, it will examine the nature and dynamics of the American style of aid giving to Liberia. Secondly, it will interrogate the implications of American aid giving for social and economic development in Liberia. The United States (US)-Liberia dyad was chosen as the case study for the article, because it is one of the major cases of the way in which a core state (the US) uses its development aid programme to dragoon a peripheral state (Liberia) to serve as a handmaid of its national cum ruling class interests.

## **2 THEORETICAL ISSUES**

### **2.1 Literature review**

Werker’s (2012:1) central argument is that foreign aid, including development assistance, is ‘deeply political’. That is, in spite of the claim by donor states that their aid programmes are shaped by their respective interests in helping to promote socio-economic development in recipient states, the reality is that the former’s national interests frame the logic of aid allocation. To buttress his thesis, he examines the US’ aid programme to Western European states after World War II under the ‘Marshall Plan’. He argues that the aid programme was motivated by the US’ desire to have these Western European states in its bloc, against the backdrop of the emergent competition with the Soviet Union for global domination. Also, he probed the aid programmes of the US, the Soviet Union and their respective allies to various recipient states in Africa, Asia and Latin America. He notes, ‘[a]id was employed by both the Soviets and the Americans (as well as their allies) to affect the balance of power and the depth of allegiance to one governance system or another’ (Werker 2012:4). In the post-Cold War era, especially in the post-September 11, 2001 global order, bilateral development aid from the US and other Western states is primarily designed to reduce the ‘incidence of so-called failed states, as well as eliminating the economic situations that benefit terrorist recruitment’ (Werker 2012:5).

Similarly, Anwar (2006) contends that foreign aid is designed by donor countries to influence the behaviour of recipient states. That is, donor states like the US are desirous of recipient states behaving favourably toward their national interests, including the latter serving as markets for

goods and sources of important raw materials that are important to the continual socio-economic development of the former. He notes further that in the United Nations General Assembly the donor states expect that the recipient states would support their foreign policy agendas as they pertain to various global issues.

Lundsgaarde, Breunig and Prakash (2010) interrogate the relationship between bilateral aid and bilateral trade relations between donor and recipient states. They conclude that ‘the main distributional logic of aid’ is the ‘tendency of donor states to privilege recipient states that serve their interests’ (Lundsgaarde et al 2010:743). This means that in the area of trade ‘the volume of bilateral aid disbursements are significantly influenced by bilateral trade between the donors and recipients’ (Lundsgaarde et al 2010:744). In addition, they found that issues such as democracy and the associated planks of ‘good governance’ are secondary considerations in the aid allocation logic of donor states like the US. In fact, their study found that ‘autocratic regimes are able to secure more foreign aid than their democratic counterparts’ (Lundsgaarde et al 2010:744).

In the specific case of the US as a donor, McKinlay and Little (1977) argue that American bilateral foreign aid is intended to create propitious conditions for the pursuance of US national interest objectives – they refer to this as the effort to realise ‘foreign policy utilities’ (McKinlay & Little 1977:58). Operationally, the ‘foreign policy utilities’ are created by the US, making recipient states dependent upon its aid. Against this background, the US then uses its aid as leverage in influencing the behaviour of the recipient states.

Treading on a similar path as McKinlay and Little, Malik (2013) probes the motivations for American development aid to Africa. His findings indicate that the primary American motives are political and strategic. In other words, American development aid to various African states is designed to serve the former’s political and strategic interests. For example, in the political sphere, the US expects recipient African states to support its positions on global issues in the United Nations General Assembly. In this case, the American expectation is that the recipients will serve its strategic interests such as the ‘war on terror’.

## **2.2 Theoretical model: *realpolitik* model**

Drawing from the literature reviewed, the study employed the *realpolitik* model as its analytical framework for examining the style of American development aid to Liberia. The theory has several postulates. However, for the purpose of the article, the focus will be on two of the salient contours. First, the foreign policy of a state is primarily driven by power and interests rather than ideals or norms. Thus, the national interest is defined mainly in terms of whatever enhances or preserves a state’s security, its influence, and its military and economic power (Rourke 2007:27). In other words, the motivation and the associated style of aid giving are not shaped by the recipient states’ needs, but rather the donors’ economic, political, military and strategic interests (Morgenthau 1954; Callaway & Matthews 2008; Rice 2008; Schuerman 2013).

Secondly, when ideals such as the spread of democracy are juxtaposed with the national interest – security, economic, etc – then, based on what Clemons (2006:1) calls ‘realist calculations’, a state’s policy-makers make the determination whether the support for an ideal enhances or

promotes the national interest. Importantly, if there is a conflict between the national interest and an ideal, the former takes precedence over the latter.

Overall, put in the context of the American style of aid giving, US development aid to Liberia is not designed to promote social and economic development in Liberia. Instead, it is principally designed to serve the interests of the American ruling class, as well as the American state that serves as a handmaid for the bourgeoisie. Eugene Block, the former president of the World Bank, for example, pinpoints the linkages between American development aid and American capitalist expansion:

[American] aid programs constitute a distinct benefit to American business. The three major benefits are: 1) foreign aid provides a substantial and immediate market for United States goods and services; 2) foreign aid stimulates the development of new overseas markets for United States' companies; and 3) foreign aid orients national economies toward a free enterprise system in which United States firms can prosper (Hayter 1981:83).

### **3 METHODOLOGY**

#### **3.1 Conceptual issue**

The study uses a modified version of the Organization for Economic Cooperation and Development's (OECD's) conceptualisation of development aid. Development aid is

the flows of official financing administered with ... [the confluence of humanitarian and *realpolitik* purposes as the main objectives], and which are concessional in character with a grant element of at least 25 percent (using a fixed rate of discount). By convention, ODA (official development assistance) flows comprise contributions of donor government agencies, at all levels, to developing countries (bilateral ODA) and to multilateral institutions. ODA receipts comprise disbursement by bilateral donors and multilateral institutions (OECD 2007:546; Kieh 2014).

#### **3.2 Data, data sources and data collection**

The study uses secondary economic data comprising the amount of US dollars disbursed by the US in its bilateral development aid flows to Liberia for the period 1946–2013. The data was collected from the United States Agency for International Development's (2013) database on *US overseas loans and grants, 1946–2013*. The data collection methods were archival, which involved the use of libraries and the Internet.

#### **3.3 Data analysis**

The data is organised in a tabular form. Against this backdrop, American bilateral development aid flows to Liberia were analysed using a five-year interval as the frame. On this basis, the nature of the aid flows was then analysed for a timeframe of almost six decades.

## **4 UNITED STATES-LIBERIA RELATIONS: HISTORICAL OVERVIEW**

The sine qua non for understanding the nature and context of American foreign aid to Liberia is the historicisation of the asymmetrical and dependent relationship between the two countries.

US-Liberia bilateral relations span almost a century and half. The relations evolved from the pivotal role that was played by the US in the establishment of the Liberian state. Faced with a large pool of freed and unemployed black slaves in the early 1800s, the American government was quite concerned that such a reservoir of unemployed black people could occasion serious cultural, economic, political and social problems (Smith 1972; Kieh 1992, 2008, 2012, 2013a). Accordingly, the American government made the determination to repatriate the freed blacks to Africa, their ancestral homeland. The repatriation project was outsourced to the American Colonisation Society (ACS), a private organisation that was organised in 1816, by some of the prominent members of the American government, including Henry Clay, the former Speaker of the House of Representatives and Bushrod Washington, Justice of the Supreme Court (Beyan 1991; Kieh 1992, 2008, 2012). In 1820, the American government provided the ACS with US\$100 000 and military escort to repatriate the freed black slaves to Africa. Originally, the ACS settled the freed black slaves in Sierra Leone, but after a deadly outbreak of malaria that resulted in the deaths of scores of the repatriates, the resettlement project was moved to the Grain Coast (now Liberia)(Beyan 1991; Kieh 1992, 2008, 2012, 2013a).

Interestingly, with the repatriation project completed, the US government was disengaged from Liberia from 1822 to 1862. Three major factors accounted for this orientation. Given its status in the international division of power, the US was neither well positioned nor was it interested in the establishment of a colony. Another reason was that the US was not supportive of the decision of the repatriates to establish a sovereign and independent state in 1847. And, as such, the US refused to initially accord recognition to the new Liberian state. Also, as the US sought to increase its national power, Liberia was of no political, economic or strategic importance at the time.

However, by 1862, there was a shift in the US' policy toward Liberia: the US extended official recognition to Liberia and established diplomatic relations with the country. The policy shift was occasioned by the exigencies of American economic interests: the discovery of gold in Liberia catapulted the country to an important station in the pecking order of the evolving American national interests.

In this vein, the US took various steps to transform Liberia into its neocolony. At the economic level, American businesses invested in various sectors of the Liberian economy. The most prominent investor was Harvey S Firestone of Akron, Ohio, who established the Firestone Plantations Company, a giant rubber-producing outfit. By 1971, the total American private investment in Liberia stood at US\$191 million (United States Department of Commerce 1981). Nine years later, the amount rose to US\$278 million (United States Department of Commerce 1981). In the area of trade, in 1989, Liberia's total exports to the US amounted to US\$49 million and the total imports from the US stood at US\$44 million (United States Census Bureau 1995). Under the overarching global system of 'unequal exchange', Liberia's raw materials such as rubber, iron ore and gold were priced less than the manufactured goods from the US. Also, the

US provided Liberians with various loans. By the end of the Doe regime in 1990, the total US official loans to Liberia amounted to about US\$183 million in terms of the principal (United States Agency for International Development 2014).

Strategically, Liberia provided various important services to the US during the Cold War. The Roberts International Airport was placed at the US' disposal for use by its rapid deployment forces in the event of a military operation. The Voice of America transmission facility, which was located outside of Monrovia, the capital city, played an important role in the conduct of America's propaganda, especially against the Soviet Union (Kieh 1992, 2007, 2008, 2012, 2013a). Similarly, in the late 1970s, the US established the Omega Navigation Station in Liberia as one of five such American installations around the world (Kieh 1992, 2007, 2013a). In the same period, the US moved the hub of the activities of the Central Intelligence Agency (CIA) from Ethiopia to Liberia, following the overthrow of the regime of Emperor Haile Selassie (Kieh 1992, 2007).

Significantly, the US maintained its neocolonial stranglehold over Liberia during the Cold War period by supporting the country's various authoritarian regimes economically, politically, diplomatically and militarily (Kieh 1989, 1992, 2007, 2008, 2012, 2013b). For example, the US government routinely supplied Liberia with weapons, which were then used by the Liberian government in waging its campaign of vitriolic human rights abuses. Interestingly, while professing to be the champion of democracy and the 'leader of the free world', the US government acquiesced in the suppression of civil liberties and political freedoms in Liberia by failing to criticise the Liberian government (Kieh 1989, 1992, 2007, 2012, 2013b). For example, when the Liberian people made a sustained effort in 1985 to oust the Doe regime from power through the electoral process, the US government defended Doe's use of blatant fraud to thwart the will of the Liberian people and cling to power. In articulating the US government's support for the fraudulent 1985 national election in Liberia, Chester Crocker, the then Assistant Secretary of State for African Affairs, argued: 'The elections portended well for the development of democracy in Liberia, because Doe's claim that he won a narrow 51 percent election victory – virtually unheard of in the rest of Africa where incumbent rulers claimed victories of 95 to 100 percent' (Crocker 1985:3).

However, by the late 1980s, with the end of the Cold War imminent, the US government cynically disengaged from Liberia and abandoned its client Doe regime, which it had supported with about US\$500 million in total foreign aid, among other things (Kieh 2007). This coincided with the process of state collapse and its foundation of the erosion of state legitimacy reaching its terminal phase in Liberia (Kieh 2012). The combination of the two sets of factors made the Doe regime vulnerable to military adventures. Hence, seizing the opportunity, Charles Taylor, a former official of the Doe regime, who allegedly embezzled state funds and fled to the US in 1982, reorganised the National Patriotic Front of Liberia (NPFL) into a warlordist militia (Adebayo 2002; Leavitt 2005; Kieh 2008, 2012; Gerdes 2013). Then using the neighbouring Cote d'Ivoire as the launch pad, the Taylor-led NPFL launched an armed attack against Liberia on 24 December 1989 (Adebayo 2002; Cook 2003; Leavitt 2005; Kieh 2008). Characteristically, the Doe regime responded with the full battery of its instruments of coercion. The resultant 'tugs and pulls' degenerated into the first Liberian civil war. Amid the conflagration, the US government initially stood on the sidelines, claiming that it no longer had national interests in Liberia (Williams 2002; Kieh 2007). However, in the midst of the avalanche of criticism against the US government from its allies, African states, Liberians and others, the Clinton

administration undertook a half-hearted peace-making role under the leadership of Ambassador Howard Jeter as the President's Special Envoy on Liberia (Kieh 2007).

After almost eight years of mayhem and its associated deaths, injuries, internal displacement, the refugee crisis, the destruction of the country's already underdeveloped infrastructure and the stymieing of economic productivity, the first Liberian civil war ended as the result of the sustained efforts made by the Economic Community of West African States (ECOWAS) (Adebayo 2002). Surprisingly, Charles Taylor the leader of the NPFL, the largest warlordist militia that started the war, won the presidential election that was held in July 1997 (Gerdes 2013). Angered by Taylor's election and the regime's subsequent campaign of destabilisation in the West African subregion, the US sought to isolate the regime diplomatically, economically and politically (Kieh 2010). The resultant effect was the emergence of an adversarial relationship between the US and the Taylor regime (Kieh 2010). For his part, Taylor claimed that the source of his regime's vexatious relationship with the US was rooted in the history of his and the former NPFL's ties to the US during Liberia's first civil war (Sesay 2010). Specifically, Taylor claimed that it was the US government that freed him from prison in Massachusetts in 1988 and sent him to Liberia to remove the Doe regime from power (Sesay 2010). And that during the first Liberian civil war, his NPFL and the CIA collaborated (Sesay 2010).

By 1999, the process of the recollapse of the Liberian state reached its terminal phase as a result of both the horrendous performance of the Taylor regime and its failure to set into motion the process of addressing Liberia's perennial multidimensional crises of underdevelopment that caused the first civil war (Adebayo 2003; Leavitt 2005; Kieh 2012; Gerdes 2013). With the state and the Taylor government's legitimacy virtually eroded, Liberia was plunged into a second civil war when the Liberians United for Reconciliation and Democracy (LURD), an amalgam of Liberian dissidents, launched military attacks against Liberia from its base in Guinea (Adebayo 2003; Leavitt 2005; Kieh 2009; Gerdes 2013). The resultant military response from the Taylor regime led to the eruption of the second civil war (Adebayo 2003; Leavitt 2005; Kieh 2009, 2010; Gerdes 2013). After almost four years of the war being limited to the west and north-western portions of the country, by early 2003, the war rapidly engulfed the country, including the capital city region (Adebayo 2003; Kieh 2010). With violence and the resulting deaths and injuries being visited on civilians by both the military of the Taylor regime and LURD forces, the US government was pressured by its allies, some of its officials, the African Union, ECOWAS, Liberians in the Diaspora and others to join the effort to end the war (Kieh 2010). The US government obliged and played a pivotal role in arranging Taylor's resignation from the Liberian presidency, after the expiration of his term of office in August 2003, and his subsequent departure into exile in Nigeria (Adebayo 2003; Kieh 2010; Gerdes 2013).

With the collapse of the Taylor regime, the US government participated in the ECOWAS-led peace-making and peacekeeping efforts that led to the termination of the second Liberian civil war in June 2003 (Kieh 2010). Thereafter, the US collaborated with ECOWAS and the United Nations to organise the October 2005 presidential and legislative elections (Kieh 2010). Importantly, the election of Ellen Johnson Sirleaf as the new president of Liberia witnessed the resumption of the friendly relations between Liberia and the US (Kieh 2010).

**Table 1: US developmental aid to Liberia, 1946–2013**

Year	Amount (US\$ million)
1946	6.8
1951	0.8
1956	1.8
1961	6.7
1966	11.7
1971	8.0
1976	5.8
1981	55.2
1986	58.8
2006	23.7
2007	30.5
2008	29.9
2009	32.0
2010	64.9
2011	86.4
2012	81.5
2013	99.5

Source: United States Agency for International Development (2014); ForeignAssistance.gov (nd)

## **5 UNITED STATES BILATERAL DEVELOPMENT AID TO LIBERIA: THE AID FLOWS**

The US' bilateral aid programme to Liberia commenced in 1946, as an integral part of its Cold War strategy, especially its hegemonic competition with the former Soviet Union. As table 1 shows, US development aid to Liberia during the Cold War burgeoned from US\$6.8 million in 1946 to US\$58.8 million in 1986. Official US development assistance to Liberia covered various areas, including food aid, education and health. The aid took the forms of grants, concessional loans and technical assistance.

Given the context of the Cold War, US development aid to Liberia was designed to help promote American national interests rather than help address the multidimensional crises of social and economic development that enveloped the country. In this vein, several interrelated American objectives can be discerned. The US government made the determination that the survival of its client authoritarian regimes in Liberia was pivotal to the pursuance of its economic and strategic interests. Hence, its development aid was used to bolster the capacities of the Tubman regime (1944–1971), Tolbert government (1971–1980) and the Doe junta (1980–1990) by helping them to minimise the incidence of political instability by marginally addressing the country's perennial economic and social crises of underdevelopment. In other words, the US made the determination



that development aid could simultaneously serve as a protective shield for its client regimes and a palliative measure for the growing mass disenchantment with these governments.

Another American objective was to use its development aid to Liberia to placate its client regimes, so that they could serve as ‘foot soldiers’ in promoting American national interests in Africa, especially against the backdrop of the existence of several nationalist and radical regimes on the continent. For example, during the initial debate about the trajectory of African regional integration in the 1960s, the US government used the Tubman regime, its client, to lead the opposition to the formation of a United States of Africa, a position that was supported by radical African states led by Ghana under Kwame Nkrumah (Dunn 1979; Martin 2002). Clearly, with its interests in enabling its multinational corporations to accumulate profits through the exploitation of Africa’s natural resources and labour, among other things, the US government saw the effort to establish a single African state as anathema to its agenda to establish global hegemony. Ultimately, the US government achieved its objective of using its client Tubman regime to lead the effort in undermining the establishment of a single African state. Thus, with several independent African states, the US government had greater latitude in pursuing its imperial agenda on the continent.

The related objective was to use Liberia as an anchor in the American campaign of helping to destabilise unfriendly regimes on the African continent. For example, the Doe regime provided an assortment of services for Washington, including the collection of intelligence on progressive African states and support for American-sponsored warlordist militias (Kramer 1995; Kieh 2007, 2012, 2013; Dunn 2009). For example, Liberia was a regional linchpin in the CIA’s covert operation in support of Chadian warlord Hissène Habré, who successfully ousted his Libyan-backed rival, Goukouni Queddi in June 1982 (Kramer 1995). Similarly, the Doe regime was part of the American effort to oust Libya’s Muammar Gaddafi from power. As Kramer (1995:6) asserts, ‘In August 1982, the CIA task force pinpointed Liberia as a key operational area – an easily accessible base for the CIA’s heightened clandestine campaign against Libya throughout the area... [CIA Director] Casey selected Doe as one of 12 heads of state from around the world to receive support from a special security assistance program’.

American development aid to Liberia was also designed to personally compensate its client Liberian regimes for serving its national interests. A major case was Doe’s use of US development aid as an opportunity for the private accumulation of wealth. According to a report issued by the US General Accounting Office in 1987, President Doe sold portions of the food aid Liberia received from the US and pocketed the proceeds (United States General Accounting Office 1987).

During the first Liberian civil war (1989–1997), as well as throughout the Taylor regime (1997–2003), the US government suspended its official development assistance programme to Liberia (Kieh 2010). However, in 2003, the programme was resumed during the tenure of the National Transitional Government of Liberia, the caretaker government of national unity that was organised as part of the comprehensive peace agreement that ended the country’s second civil war in June 2003 (Kieh 2010). With the election of President Sirleaf in 2006, the US government fully revived its developmental aid programme to Liberia (Kieh 2010). By 2009, the

total American development aid to Liberia was US\$32 million (see table 1). Four years later, the amount of burgeoned to US\$99.5 million (see table 1).

## **6 THE STYLE OF AMERICAN AID GIVING TO LIBERIA**

### **6.1 Background**

The US has used two genres of styles in giving development aid to Liberia: the Cold War and post-Cold War styles. The Cold War approach was conditioned and shaped by the dynamics of American-Soviet rivalry for global domination rather than the development imperatives of Liberia. That is, the US, prodevelopment rhetoric notwithstanding, was primarily interested in ensuring that its development aid to Liberia helped provide the ‘economic oxygen’ its various client regimes needed in order to minimally address the perennial crises of social and economic underdevelopment that plagued the country. By so doing, the survival of the client regimes was ensured. In this vein, the client regimes then could help pursue American national interests in Liberia and elsewhere.

### **6.2 Cold War era**

The Cold War style of aid giving was anchored in several elements. There was a single recipient – the Liberian government. This meant that all of the US’ development assistance was channelled to the Liberian government (government to government). In turn, the Liberian government spent the funds in consultation with the US government.

Another element was the focus on development programmes as opposed to development projects. In other words, American development assistance was targeted toward programmes in areas such as education and health care. Thus, the emphasis was not on physical development projects like schools, clinics, hospitals, roads, bridges and public buildings. In short, the premium was on helping the Liberian government to develop so-called capacities in these development areas, rather than in the undertaking of physical development projects per se.

Also, the US government had economic and political conditionalities linked to its development assistance programme to Liberia. In the case of economic conditionalities, the Liberian government was required to spend a portion of the development aid given on the purchase of American goods and services. The rationale was to help American companies benefit from the development aid that was given to Liberia by helping to generate business activities for them. In turn, this helped American businesses to keep and create new jobs for Americans. As Writer (2014:1) observes, ‘When America gives, it gives to itself first’. The other condition was that aid would be suspended if the Liberian government was delinquent in the payment of the interest on its concessional loans owed the US government. This was a requirement under the Brooks Amendments. Interestingly, this condition was enforced against Liberia in 1986, as a result of increasing congressional weariness with the sordid human rights record of the Doe regime. The coup de grâce was triggered by the Doe regime’s ‘scorch the earth campaign’, which witnessed the indiscriminate killing of hundreds of Liberians, following the 12 November 1985 abortive

coup led by General Thomas Quiwonkpa, a former Doe confidante (Williams 2002; Human Rights Watch 2003). With the end of the Cold War imminent, the US government made the determination that Doe was no longer important to the pursuance of American national interests. Hence, he became disposable, as the US government has done with other client regimes in Africa and other parts of the Third World. Exasperated by what he saw as American betrayal and lack of appreciation for his invaluable services in the promotion of American national interests, Doe sought to spark Liberian nationalism by launching a fundraising campaign designed to repay the debt owed the US (Noble 1989).

As for the political conditionalities – the promotion of democracy, the respect for human rights, etc – the US government never implemented them in its development assistance programme to Liberia. So, they were simply designed by the various American administrations to placate numerous interest groups like the Lawyers' Committee for Human Rights and American citizens who had interests in Liberia. This is because in spite of the horrendous human rights records of the various Liberian regimes, the US government continued to provide development aid to the country. For example, the Doe regime, which arguably had the worst human rights record of the country's three governments during the Cold War period, received more development aid from the US than its predecessors the Tubman and Tolbert administrations (see table 1). In fact, cumulatively, the Doe regime received a total of US\$500 million in American foreign aid during its ten-year tenure of office. This was more than the combined foreign aid the US had given to the various Liberian governments since 1946. It was not until 1988, when it was cleared that the Cold War was in its final throes, that the US government under increasing Congressional pressure began to reluctantly subject the Doe regime to political conditionalities. One of the main resulting effects was the decline in development assistance from US\$58.8 million in 1986 to US\$47 million in 1987 (OECD 2009).

### **6.3 The Post-Cold War epoch**

The post-Cold War era witnessed a shift in American development aid giving to Liberia. The shift was propelled by two main currents. The end of the Cold War and its associated American-Soviet rivalry eliminated the strategic importance of Liberia. Hence, the US government no longer needed to use its development aid programme to the country to prop up its client regimes as the vehicle for obtaining the latter's support for the promotion of American national interests. During the Cold War, the various Liberian administrations, especially the Doe regime, mismanaged and embezzled development assistance funds that were earmarked for various development programmes (United States General Accounting Office 1987). The acts of corruption that attended the disbursement of American development aid funds by the Liberian government elicited the consternation of various members of the US Congress, as well as other members of the American political class.

Another major propellant was the ascendancy of neoliberalism as the ideological panoply of American development assistance policy. Under the policy, the role of the recipient government in the disbursement of development aid is minimised as part of the broader process of trying to 'roll back the state' and ensure the suzerainty of 'market forces'. In other words, while the Liberian government remained the centrepiece of the American aid programme to the country,

the US made the determination that portions of the aid allocations needed to be disbursed to non-governmental actors, such as civil society organisations. Notwithstanding, these non-state actors are expected to serve as ‘foot soldiers’ in the promotion of American national interests in Liberia. Given their dependency on external support, Liberian civil society organisations are expected by the US government to promote a favourable image of Washington in Liberia, especially among ordinary Liberians.

Against this backdrop, the post-Cold War American style of giving development aid to Liberia is built on several pillars such as the use of non-state actors as purveyors of American national interests. A related element is the decentralisation of the disbursement of aid: the Liberian government is no longer the sole conduit through which American development assistance is disbursed in the country. Instead, various non-governmental organisations have now become aid recipients as well. There is continuity in terms of the imposition of political and economic conditionalities. However, like during the Cold War era, the political conditionalities are designed for regimes in Liberia that may not be favoured by the US government. For example, during the Taylor regime, US development aid to Liberia was suspended (Kieh 2010). The rationale was that the Taylor regime was authoritarian, as well as involved in a campaign of destabilisation in the West African region (Kieh 2010). Clearly, the application of the democracy-based political conditionality to the Taylor regime was hypocritical because the US provided development aid to Liberia’s various authoritarian regimes, including the Doe junta.

On the other hand, the economic conditionalities, especially the requirement that US development assistance be used to purchase American goods and services, remain intact. The focus on programmatic assistance and capacity building, rather than visible development projects like schools, hospitals, roads and bridges, remains the centrepiece of US development aid.

## **7 THE IMPLICATIONS FOR NATIONAL DEVELOPMENT IN LIBERIA**

The US’ style of development aid to Liberia is based on several contours. There is the accentuation of a development model that is based on the peripheral variant of capitalism that revolves around the suzerainty of so-called ‘market forces’. The resulting effect is the sustained drive to minimise the role of the Liberian state in the country’s development. Instead, the American preference is for the Liberian state to focus on serving American interests and leaving the control of the economy to private capitalists, especially the owners of various American multinational corporations.

The related element is the diversification of aid recipients. That is, the US disburses its development aid to Liberia through both the Liberian government and non-state actors such as development-based non-governmental organisations. This is intended to enlist non-state actors as handmaids in the promotion of American national interests in Liberia.

Another plank is the imposition of political and economic conditionalities as the prerequisites for aid disbursement. However, in reality, the political conditionalities were only enforced toward the end of the Doe era, when the US government made the determination that its client regime was no longer useful to the imperatives of American national interests. Also, political conditions were used as the rationale for withholding development assistance from the Taylor regime, which was not an American client regime.

On the other hand, the US has consistently implemented the economic conditionalities in the disbursement of development aid to all of its client regimes. The fulcrum of American development assistance was, and continues to be, the support for development programmes – capacity building, etc – rather than visible development projects. In other words, American development assistance is not designed to undertake projects that would help advance the material conditions of Liberia's subaltern classes.

The style of American development aid has implications for Liberia's social and economic development. First, the new emphasis of the American aid giving style on the decentralisation of aid recipients in Liberia – both the government and non-governmental organisations and actors – is another manifestation of the fact that American development aid is designed to promote US national interests, rather than socio-economic development in Liberia. This is because, given the weakness of the Liberian state and private sector, and the overall domination of the country's economy by metropolitan-based multinational corporations like Firestone and other businesses, a strong, democratic and developmental state is needed to help, among other things, provide public goods such as education and healthcare and to protect the country from the venalities and predatory proclivities of capitalism. But the American aid approach clearly undermines the establishment of a strong democratic developmental state in Liberia, along with a vibrant private sector that is dominated by local businesses.

With regard to conditionalities, the political ones would be useful in helping to transform the perennial authoritarian state in Liberia into a democratic construct that is based on democratic governance, accountability, transparency, respect for the rule of law, and the promotion of political human rights, among other things, if the US was really sincere about promoting them. However, the problem is that the US has always subordinated these democratic preconditions to its national interests in the giving of development aid to Liberia. In other words, political conditionalities are designed for Liberian regimes, like the Taylor one, with which the US has adversarial relations.

On the other hand, economic conditionalities have adversely affected socio-economic development in Liberia in several ways, including curtailing the progress of the country's private sector. That is, by requiring the Liberian government to buy American goods and services with development aid, the US is taking away opportunities for Liberian businesses that could benefit from the provision of services in the areas for which the aid is targeted. These domestic businesses could also employ Liberians, thereby contributing to tackling the country's chronic unemployment problem. In terms of the thrust of American development aid, while capacity building and other forms of programmatic support are important, the crises of social and economic underdevelopment in Liberia require investment in concrete projects such as schools and hospitals. In this vein, American development aid is not making an impact.

## **8 BEYOND REALPOLITIK: SOME SUGGESTIONS**

In order for American development aid to help in the promotion of social and economic development in Liberia, two major sets of changes are required. First, the US would need to rethink, and ultimately change the *realpolitik* foundation of its foreign policy and its attendant

development aid policy, among other things. Alternatively, US development aid to Liberia and other African states would need to be determined by the recipient state's socio-economic needs rather than American national cum ruling class's interests. However, such a 'sea change' is quite unlikely given the centrality of the American imperial project, and its emphasis on courting and maintaining client regimes in Africa. In this vein, as has been discussed, development aid is used by the US as a quid pro quo for the support by Liberia and other client regimes in Africa and elsewhere in the international system. In short, it is highly unlikely that the US will radically transform its foreign policy and its development aid policy, one of its major ancillaries.

Another option is the possibility of a progressive regime coming to power in Liberia and pressing for fundamental changes in US-Liberia relations, including American development aid. Even if this were to happen, the US, given its imperial project, would develop an adversarial relationship with the new government in Liberia. Importantly, the US would, as it has historically done in Africa, devise ways to remove such a regime from power in Liberia (the cases of Patrice Lumumba in the Congo and Kwame Nkrumah in Ghana are quite instructive).

The best option would be a regional initiative under the auspices of the African Union. Under this collective approach, African states would have to pressure the US to restructure its foreign policy and its major dimension of development aid policy. However, the New Partnership for Africa's Development (NEPAD) is not based on enabling African states to renegotiate the terms of development aid from the US and other core states, among other things. Instead, as Schell-Kerr (2009:1) observes, 'The NEPAD is an initiative that focuses on neo-liberal economic restructuring'. That is, NEPAD takes the current unjust international global order as a given, and seeks to encourage the US and other core states to increase the flow of aid to African states in exchange for African states promoting the suzerainty of capitalism based on the dominance of metropolitan-based multinational corporations.

In this vein, the best trajectory is the emergence of a corps of progressive leaders in various African states, who are committed to engaging and pressuring the US and other core states to make much-needed changes in the unjust global political economy. As part of this broader effort, African states can then collectively renegotiate the terms of development aid with the US. Specifically, such a process would entail balancing the interests of African states and those of the US in ways that help promote socio-economic development on the continent.

## **9 CONCLUSION**

The US has used two styles of giving development assistance to Liberia. During the Cold War, the style was conditioned by the use of development aid as a vehicle for supporting the various American client regimes in Liberia, so that they could promote the political, economic and strategic interests of the US. In this vein, the Liberian government was the sole recipient of American development assistance. Thus, the US viewed and supported the authoritarian Liberian state and its various regimes as the so-called purveyors of social and economic development. Although the US articulated political conditionalities, they were never implemented because they were subordinated to the imperatives of American national interests. However, the economic conditionalities, especially the requirement that Liberia purchase American goods and

services, were implemented. The locus of the American development assistance programme was programmatic support and capacity building rather than the undertaking of concrete development projects.

With the emergence of the post-Cold War era, the US changed its style of giving development aid to Liberia. The 'new style' is based on the use of multiple recipients, including the Liberian government and non-governmental organisations; the rhetorical use of political conditionalities; the actual implementation of economic conditionalities, including the continuing requirement that Liberia uses the development aid to purchase American goods and services and the focus on programmatic support and capacity building rather than physical development projects.

Finally, the style of development assistance provided by the US to Liberia has, and continues to have, various implications for the latter's social and economic development. For example, the American style of development aid giving is not designed to help address Liberia's pressing development needs. Instead, as has been discussed, US development aid to Liberia is primarily intended to serve American economic, political and strategic interests. In short, since the American style of development aid giving is shaped and conditioned by *realpolitik*, any development benefit that might be derived by Liberia would be incidental rather than purposeful. In order to make American development aid useful to the promotion of socio-economic development in various African states, new progressive regimes would need to emerge on the continent. In turn, these regimes would have to collectively renegotiate the contours of the broader international political economy, as well as its ancillaries such as development aid from the US and other core states.

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