

Mormonism and Private Aid

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States constantly engage in international relations through the means of foreign aid. Literature in the field has focused on bilateral aid, direct aid given by a donor state to a recipient, and multilateral aid, involving several states and often an international organization. The literature has effectively glossed over, however, the importance of foreign aid given by private entities. In fact, private groups in the U.S. give \$35 billion annually. This substantial investment by private entities into aid giving across borders presents two important dilemmas: first, what motivates the private entity?; and second, given the substantial investment of the U.S. government in its aid program, why does it allow private entities to enter this arena and develop influence the government itself could have? Using a case study of the humanitarian arm of the LDS Church, I suggest two models on private aid giving to answer these dilemmas.

Often lost in the field of International Relations amid debates on balance of power theory or arguments for the impact of complex interdependence lies an area where states constantly engage with each other across the borders of academic levels of analysis: foreign aid. Foreign aid, unlike foreign trade, involves the net outflow of resources from one state and the net inflow to another state. Assuming that states are rational actors, they must have a reason for giving away their money. This indicates the importance of foreign aid in the sphere of International Relations. Ample literature exists in the area of foreign aid on the systemic level, between states. In contrast, however, private aid giving, which began in the same era as did state-based foreign aid, has been poorly documented. This paper will examine the importance private foreign aid plays in international politics, as well as answer the questions of why private entities give their resources and why governments allow private entities to become involved in foreign aid giving.

Many factors play into the study of foreign aid. On the most basic level, foreign aid involves a donor and a recipient, which in most literature represent state entities. Study into recipient countries can be used to examine the effectiveness of aid its impact on the state. On the other hand, study into the donor country gives clues as to whether foreign aid can influence policies and whether donor states use foreign aid to impose their will on recipients. Studies from the donor perspective are then divided into two areas: bilateral and multilateral aid. Bilateral aid involves just two states, a donor and a recipient. Multilateral aid involves several donor states which come together to aid one or several recipient states, or to give to private organizations committed to humanitarian service in foreign lands. Somewhat distinct from these delineations of foreign aid giving which have received significant

attention in international political literature are those efforts of aid undertaken by private actors.

Private aid giving crosses borders and levels of analysis; aid from private citizens of one country may even affect domestic policies of recipient countries. Private aid might also, however, bypass foreign governments altogether, aside from the approval necessary for privately funded projects. Despite the impacts such aid might have on the international system, private aid giving has yet to be seen as an important variable in the study of international politics.

Using as a case study the substantial foreign aid giving by the Humanitarian Services arm of the Church of Jesus Christ of Latter-Day Saints, I will examine what motivations private entities have for giving their resources in foreign aid. This puzzle presents a similar, and perhaps more important dilemma: why do governments allow private individuals and organizations to encroach on a sector of international relations in which they already have a vested interest? I propose two models to explain the phenomenon of private foreign aid giving. First, private entities give aid in order to pursue the humanitarian causes often lacking in bilateral aid, while maintaining the control of their resources often unavailable by multilateral giving. Furthermore, governments allow private actors to play a role because it benefits the government both internationally and domestically, while requiring little or no cost.

My research methods will include a detailed look into LDS Humanitarian Services as a private aid giving organization. Where possible I will interview those involved in the organization. I will also seek information from media local to areas involved with LDS Humanitarian Services to see what policies the Church used and what effects their actions may have on the overall discussion of foreign aid giving as it relates to international relations. The effects of government policies

regarding private aid are also very important, and will require research into U.S. foreign aid giving, particularly through the USAID arm of the State Department.

LITERATURE REVIEW

Before proceeding with the case study, it is important to look into the literature available on foreign aid giving in order to establish a framework of the importance of foreign aid in general, and private foreign aid in particular. As previously outlined, foreign aid giving comprises a donor and a recipient. Donors give aid through bilateral, one on one, relationships with the recipient, or multilateral agreements involving additional donors and often third-party agencies. Of the literature available, bilateral aid claimed much of the early study, while multilateral aid has been a topic of choice more recently. Very little literature has been devoted to the impact of private giving on the international political system.

Documented giving as a state policy began in earnest after World War II. This aid was given through bilateral channels, from one country to another, from that time up through the 1960's (Milner, 2004). To understand clearly what is meant by bilateral aid, the definition used by McKinlay and Little proves useful:

Official bilateral aid is defined as flows of finance at concessional rates of interest and repayment which is not explicitly used for commercial gain or military purpose. It is an aggregation of grants, loans, official export credits, and other long-term capital. It excludes military assistance, private investment, and a number of other means of assistance (such as preferential entry into markets of high-income countries for the exports of low-income countries

(McKinlay, 1977).

As included in this definition, many different methods exist for the funding of foreign aid, including grants of cash and loans with little or no interest. This allows donor countries to vary their aid giving, perhaps with the ability to give more when several methods are used in the same package. It also allows the donor country some control over the finances as opposed to handing over bags of cash.

The reasons behind bilateral foreign aid packages are much more varied than the means in which the money is disseminated. In the aftermath of World War II, the United States became a hegemonic power, and as part of this role took on the responsibility of being the largest aid giving nation. In 1970, George Abbott wrote "If one looks at the foreign aid program of the United States...one can detect a central theme of moral and humanitarian motives running through many of them"(Abbott, 1970). To illustrate his point, Abbot referenced US funding of the United Nations Relief and Rehabilitation Administration, which helped distressed citizens of countries overrun or occupied in the war. The US contributed 70% of the cost of this program.

Leonard Dudley and Claude Montmarquette, writing in 1976, were less than convinced of the charitable motivations

behind foreign aid giving, saying, "Our basic assumption is the following: people usually give because they expect to get something in return...At an individual level, there may well be exceptions to this generalization. There may indeed exist truly altruistic people...however, casual empiricism leads us to believe that such individuals are likely to be in a minority" (Dudley, 1976). The second half of this quote will serve us later on as we look into private aid giving and the possibility that Dudley and Montmarquette suggest that there might be altruistic reasons for giving. For now, however, their first assumption must be taken into account. They offer three possibilities as to why donors give: the expectation that the recipient nation will lend support to their policies, confer economic benefits, and show positive results from the aid received.

McKinlay and Little take this theory one step further. After examining US bilateral foreign aid from the period of 1960-1970, they introduced a model which "suggests that the provision of aid enables the donor to form relations of commitment and dependency. These in turn afford foreign policy utilities that can be used by the donor to promote and protect certain of its interests" (McKinlay, 1977). By this model, foreign aid had lost most, if not all, of its altruistic foundation. Bilateral foreign aid giving is simply a way for wealthy donor countries to make weaker countries dependent and therefore obliged to carry out the policy expectations of their benefactors.

This model can be somewhat negated by the point Helen Milner makes that, according to the OECD, "The top three recipients of US aid are Russia, Egypt and Israel" (Milner, 1970). While the context of her argument is a comparison of the political motives between the U.S. and Scandinavian countries, (who give to Tanzania, Mozambique and South Africa and engage in much more multilateral giving) her point can also serve to show that while politically motivated, US aid does not fit the imperialistic model suggested by McKinlay and Little.

More recently, Burnside and Dollar examined the effect aid has on growth and whether aid is tied to good policy. They found that aid did little to impact growth except in good policy environments. They further found "no significant tendency for total aid or bilateral aid to favor good policy. On the other hand, aid that is managed multilaterally (about one-third of the total) is allocated in favor of good policy" (Burnside and Dollar, 2000). In other words, bilateral aid failed to lead to growth in the recipient country, as intended, nor did it support good policy, as multilateral aid did.

Given the negative findings in the literature on bilateral aid, why do countries continue to give bilaterally? As the literature suggests, political motivations exist. Bilateral aid allows the donor to control where its money is given. One study into the aid given by the US, France, Japan and Sweden to African nations revealed that "ideology played an important role in the foreign aid regime of the 1980s" and "there existed a positive relationship between foreign aid levels and

the ideological posture of African regimes” (Schraeder, 1998). Bilateral aid inherently has some charitable foundation, as the wealth of a donor country is transferred to a lesser-privileged recipient. The bulk of the literature, however, suggests that political considerations play a large role in bilateral foreign aid, and this latest case reveals that it is not just the US which is using foreign aid to its political advantage.

The major alternative to bilateral foreign aid giving is multilateral aid. This involves several states and a multilateral organization acting as their agent in distributing foreign aid. An example of such a multilateral organization is the World Bank. It was founded in 1944 as a facilitator for post-war reconstruction, (The World Bank, 2007) but its International Development Association (IDA) arm helped to begin the practice of multilateral giving when it was established in 1960 with the mission to help reduce poverty by providing loans and grants to facilitate development in developing countries (The World Bank, 2007). Other institutions involved in multilateral aid giving are the EU, UN, and the Organization for Economic Co-operation and Development (OECD).

The common view on multilateral aid is that it has much more humanitarian and much less political motivation than bilateral aid. This makes sense for several reasons. Multilateral aid inherently involves a group of donor states, each of which with its own foreign policy objectives. When they combine to give aid, political motives will not always mesh, though all can see the need of development in poorer states. This is especially true in consideration of the UN, a multilateral organization with 192 member states and aid contributions of hundreds of millions of dollars (United Nations, 2007). Of these members, some give foreign aid assistance while others receive. Aid giving with such a multiplicity of actors cannot have the inherent political consequences of bilateral aid giving.

While multilateral aid giving does not carry with it as much directly political baggage, it is precisely this multiplicity of interests involved in such aid which make it less appealing to individual state donors. When giving through such a large organization they lose control over their money as well its intended effects, such as the three suggested by Montmarquette and Dudley. Even if the motives of states giving bilateral aid were altruistic, they would not be able to implement their own desires for their foreign aid dollars through multilateral channels as they would through bilateral methods.

Benefits of multilateral aid extend beyond its reputation for humanitarian or need-based giving. A multilateral organization representing several donors in one recipient state would save on ‘doubling up’ services. One organization could replace representative agents from each individual donor state. Multilateral organizations are also better at providing information and regulating spending as opposed to a bilateral relationship in which one donor provides cash to one recipient government.

A final benefit of multilateral aid plays out on the domestic level of the donor country. Voters tend to be wary of foreign aid, as the process for distribution is not particularly transparent. These taxpayers would much rather see their money spent on humanitarian purposes, where they can see potential for real results, or at least assume it is being used to aid those less-fortunate, than on bilateral aid in which they may not see to what ends their money is used. According to Milner, governments desire funding for bilateral aid, while taxpayers prefer to give multilateral aid. Governments will engage in multilateral aid in order to acquire more funding for total aid, including bilateral commitments. She finds that domestic concerns factor more heavily than systemic variables when giving multilateral aid (Milner, 2000).

Despite some positive benefits of engaging in multilateral over bilateral aid, the debate between the two will continue. Multilateral aid-giving agencies, such as the U.N. or the IDA, are themselves large bureaucracies where donor money may not be easily trackable. Just as taxpayers feel better about having their money spent on humanitarian rather than political purposes, so do governments want to see the direct result of the money they spend. Thus they tend to continue to favor bilateral spending, where they have much more control.

In addition, there appears to be a disparity between large and small states in the way they spend foreign aid. Hoadley notes that “small states do indeed behave differently from large states...small states give aid to a narrower range of recipients but give aid more generously...small states channel more aid through multilateral agencies and give more of their bilateral aid to the poorest countries” (Hoadley, 1980). Small countries have less political influence, and less need or ability to exert their will on foreign states through aid giving. Larger states have more political interests at stake, thus more desire to engage in bilateral aid. As far back as 1967 Balogh suggested an aggregation of the two when he said, “What we need is firm coordination of bilateral and multilateral aid on the basis of sub-regional plans” (Balogh, 1967). The trend appears to be heading towards Balogh’s suggestion, as evidenced by Milner’s model of states giving aid multilaterally to appease domestic constituents and thereby receive more funds to give bilaterally according to government policy interests.

In response to a general international backlash against American foreign aid policy, Carol Adelman published a study regarding aid given by the U.S. which often goes overlooked in the debate surrounding bilateral versus multilateral giving: private foreign aid. Adelman notes that the U.S. is considered stingy in the international arena because although they give the greatest amount of total aid, they give the least among developed countries as a percentage of GDP. She claims that in reality, Americans give just as much aid as other countries, the disconnect being that the U.S. engages in considerably more private aid, while most research includes only aid doled out by governments. Private foreign aid, including that given by foundations, voluntary organizations, religious groups, universities, corporations, and immigrant

workers, accounts for \$35 billion in aid from private sources in the U.S. In comparison, the countries considered the most generous— Denmark, Norway, and Sweden— each give about \$1.5 billion annually (Adelman, 2003).

THE PUZZLES

Private foreign aid, then, plays a large role in total foreign aid assistance. Adelman makes strong points on the importance of this aid, but stops short of examining two key puzzles presented by the private aid argument: what the motives are behind private foreign aid giving, and why state governments allow private entities to encroach on foreign relations through aid giving.

While bilateral aid remains the choice of governments because it allows them more control over their aid giving, multilateral aid gives more humanitarian assistance and is favored by taxpayers. I propose that private aid has emerged to bridge the gap between the two, a 'best of both worlds' solution. Private donors can give humanitarian or need-based aid while maintaining control of their money to ensure it is spent according to their desires.

Perhaps more intriguing is the second puzzle: why do states permit private aid when it competes with a function in which the state government is deeply engaged? In fact, this puzzle is reserved primarily for the U.S., the epicenter of private aid, and becomes even more intriguing in consideration of the U.S. hedging on private aid giving through funding USAID programs.

THE USAID DILEMMA

While the U.S. has traditionally engaged more heavily in bilateral aid given directly to foreign governments, the USAID (United States Agency for International Development). arm of the State Department is set up specifically to give humanitarian aid. In conjunction with private organizations, USAID funds are given to humanitarian causes throughout the world. In terms of classifying this aid giving, USAID may be seen as bilateral aid, because the funds are distributed by a single donor country. These funds, however, are administered in recipient countries by private U.S. organizations, and therefore take on characteristics of private aid.

U.S. motives in administering this program are clear: "U.S. foreign assistance has always had the twofold purpose of furthering America's foreign policy interests in expanding democracy and free markets while improving the lives of the citizens of the developing world" (USAID, 2007). USAID receives direction from the State Department as to which policies to pursue, and its main goals include promoting democracy and free markets. USAID breaks down areas of potential aid to the following three categories: economic growth, agriculture, and trade; global health; and democracy, conflict prevention and humanitarian assistance.

USAID policies are accomplished through granting funds to private organizations, who then administer specified

programs. In 2002, President Bush created the Center for Faith-Based and Community Initiatives (CFBCI) to allow faith-based groups better access to USAID funds. Churches can apply for grants from USAID to administer humanitarian aid. The U.S. does not invoke solely altruistic pretenses for granting this aid. Rather, it is quite clear, as demonstrated in the above referenced quote, that pursuit of policy interests drive their giving. While policy interests and charitable giving are not mutually exclusive, U.S. motives in administering this aid are very intriguing. According to Adelman's research, private giving accounts for sixty percent of all U.S. foreign aid. By granting money to private organizations to use in pursuing U.S. policy interests, the U.S. encroaches on the private aid sector. This, importantly, demonstrates U.S. desire to maintain control over not just bilateral and multilateral aid, but to maintain influence and control over private aid as well.

As demonstrated in the literature, the U.S. prefers bilateral aid as it can control where its money is given and derive some political gains. Similarly, the U.S. is hesitant to allow other actors, in this case private aid givers, to hedge on its relations with other states if it can help it. If possible, the U.S. would rather maintain control itself of aid relations with other states. This is demonstrated by the strings attached to the funds USAID grants private organizations. For example, "A USAID policy is a binding document that describes the context of development or humanitarian challenges, states and justifies USAID's approach to them, and gives specific guidelines that must be followed in designing and implementing USAID programs" (USAID, 2007). USAID programs are designed to propagate U.S. foreign policy interests, and must be strictly followed for any private entity to receive and maintain funding.

In short, the U.S. government allows private entities to take part in foreign aid, even supporting them through USAID funding, but ties their hands with regulations on how the money can be spent, thereby maintaining control of the process. This is notable because it highlights U.S. desires to assert its control over foreign relations any way possible, including through private aid. Paradoxically, while the U.S. desires to have a hand in even private aid giving, as demonstrated by the case of USAID, it allows other private entities give aid outside the realm of government control.

THE MORMON DILEMMA

According to Adelman, "Least documented among U.S. private donors abroad are religious organizations. A low estimate of their annual contribution to foreign aid is \$3.4 billion— a figure that includes neither collections taken in individual churches nor the value of church volunteers' time" (Adelman, 2003). An intriguing case study of such a religious organization is the Church of Jesus Christ of Latter-Day Saints (LDS). In the time period of 1985 through 2006, the Church has given \$201.3 million in cash donations, in addition to \$705.2 million in material assistance. In 2006 the total

value of its humanitarian aid giving was \$76.9 million (Church of Jesus Christ of Latter-Day Saints, 2006). Adelman's estimation of the amount of private aid giving by religious organizations did not include the time of church volunteers. In the case of the LDS Church, about seventy-five "Senior Welfare Missionaries with Humanitarian Assignments" couples are engaged in full-time humanitarian service, at a cost to themselves of about \$1,500 per month (Reese, 2007).

In discussing the LDS Church as a private entity in terms of its relations with the U.S. and private giving, it may be noted that the Church is an international organization. According to Church statistics for 2005, its membership totaled 12.56 million. Of these, 5.7 million, or slightly less than half, came from the U.S (Church of Jesus Christ of Latter-Day Saints, 2006). The LDS Church can be considered an essentially domestic actor in the case of foreign aid giving, however, because church funds are distributed centrally from its headquarters in Salt Lake.

The substantial aid given by the LDS Church to humanitarian causes comes completely from the Church itself through donations it receives, mostly, though not completely, from its members. None of the funds have come through USAID. That the LDS Church does not seek USAID funding raises one significant question and highlights another: if USAID funds are available to help finance their humanitarian giving, why does the LDS church not use them, and what are their motivations in operating their own aid giving program?

The puzzle of why the LDS church does not seek USAID funds can be answered fairly simply. As shown earlier, these funds come with numerous strings attached. In operating their own humanitarian program, the LDS Church wants to follow its own course, rather than being forced to implement humanitarian aid as a means of furthering U.S. foreign policy. Their humanitarian program comes as a result of implementation of Church doctrine. In speaking to the National Press Club in 2000, LDS Church President Gordon B. Hinckley highlighted this doctrine, saying, "[h]uman suffering anywhere and among any people is a matter of urgent concern for us" (Church of Jesus Christ of Latter-day Saints, 2007). This concern is answered by Church members in their donations to the Church's humanitarian program. The program is funded separately from tithes paid by church members' for its welfare program, which gives aid specifically to church members and is administered locally. While some of the humanitarian donations are large lump sums, the bulk comes from relatively small donations of \$10 or \$15 by church members (Reese, 2007).

The motives of the LDS Church in collecting and distributing humanitarian aid are surprisingly straightforward. Church members are taught doctrines of love and charity, and in turn donate to Church-administered programs. The Church then has the obligation to use the funds to administer aid. Fringe benefits certainly occur, including good public-

ity and the opportunity to meet with foreign officials, which may in turn lead to recognition for the Church. The main goals, however, can be viewed as truly altruistic, as evidenced by the way the Church administers its humanitarian programs: they are separate from any to the church's proselytizing activity, lump sums of money are not given, and the Church does not set up offices for its humanitarian programs in the countries it enters. Rather, it often works in conjunction with other churches and non-profit organizations which have already been established.

Rather than giving lump sums of money, the Church finds needs and provides services accordingly. It has five foci in its humanitarian programs, aside from disaster relief: wheelchair distribution; neonatal resuscitation training; clean water; vision treatment; and immunizations. When giving away wheelchairs, the Church does not give cash to a country or an organization to administer the project. Rather, the Church purchases wheelchairs and works with a local organization to distribute them. This highlights the Church's desire to ensure its aid is used as the Church intends. The LDS Church also works in conjunction with other organizations in administering its humanitarian aid. In October 2005 for example, after a 7.6 magnitude earthquake, the Church worked with Islamic Relief Worldwide to send 460 tons of relief supplies to Pakistan (Church of Jesus Christ of Latter-day Saints, 2007). In 2004, the Church worked with the Adventist Development and Relief Agency to provide assistance to Jamaicans in the aftermath of Hurricane Ivan (Rose, 2004).

Were the LDS Church seeking merely the fringe benefits that may be associated with humanitarian efforts, the USAID program might prove more beneficial. While receiving government funds to help implement aid, good publicity and church contact are still available to USAID grantees. While inherently religious activities must be kept separate from USAID-funded services, those services are allowed to take place in churches, even without the removal of religious symbols. Faith-based organizations can keep their name and their mission statements can include religious references (USAID, 2007). The LDS Church neither receives outside funds nor often receives credit for its humanitarian aid. Its motives, therefore, can accurately be considered to be the pursuit of humanitarian assistance while maintaining control over its money. This corresponds with the model suggested earlier that private aid has emerged to bridge the gap between the monetary control assured by bilateral aid and the humanitarian endeavors of much multilateral giving. This model, while shown here through the case study of a religious organization, would seem to fit for other private aid-giving actors.

THE STATE DILEMMA

Having established a model for the development of private aid giving, the question of states' interests in allowing private entities to give aid still remains. Considering that the U.S.

interjects itself into private aid giving through its USAID policies, betraying its desire to maintain some control in that sphere, why does it allow private entities such a large influence in this area of foreign relations? The U.S. has historically given most of its aid bilaterally, with the attached political baggage, and USAID is specifically designed to further U.S. foreign policy. Giving away what it could use for political influence to private actors therefore seems contrary to U.S. desires. It is important, then, to suggest a model explaining the dilemma of why the U.S. allows so much influence in foreign aid giving to be taken by private entities.

I propose that the U.S. allows private giving, such as that demonstrated by the LDS Church, for two reasons: they can receive for free the benefits of American humanitarian assistance in the domestic political views of recipient countries, while at the same time appeasing resource-rich domestic constituents.

The LDS Church has little in the way of political agenda with its humanitarian program. In fact, it takes the following stand on political matters: "The Church's mission is to preach the gospel of Jesus Christ, not to elect politicians. The Church's neutrality...applies in all of the many nations in which it is established"(Church of Jesus Christ of Latter-day Saints, 2007) LDS Humanitarian Services in particular has a policy of not doing its work for political reasons (Reese, 2007). Because of this, the U.S. government does not need to fear that its policies will be undermined by LDS humanitarian efforts. Most private entities would themselves be loath to allow their services to take on political undertones for fear of being refused recognition by the government of recipient countries. Humanitarian giving focuses on meeting the needs of individuals in distress, not in satisfying the demands of governments.

While some private actors still might take actions out of line with American foreign policy, the U.S. has much more to gain by allowing their services. Taking the example of the LDS Church's combined effort with Islamic Relief International to ship 460 tons of relief aid to Pakistan, the U.S. gains more from this aid than the Church does itself. The Church received negligible recognition for this service in Pakistan, as the Church provided the supplies but had little or no involvement in their distribution. The end result of the aid is the distribution of emergency supplies of food, clothing, and hygienic products to Pakistanis affected by the disaster. When individual Pakistanis receive these products, the only recognizable marks of who supplied the aid are the labels of American companies on the supplies. No Church logos are found on the clothes distributed to disaster victims, but rather Nike swooshes and the names of American designers. The praise for the assistance rendered is then transferred to America in general, and sentiment towards the U.S. improves in the recipient country. This domestic sentiment in the recipient country may then be transmitted into the relations between the two countries. The U.S., therefore, receives for free the benefit of work done by LDS Humanitarian Services.

Thus, while the U.S. may remain concerned over the consequences of allowing private organizations to take part in foreign aid, the cost-benefit ratio is highly conducive to allowing private humanitarian aid to continue. Because private organizations provide the financial considerations as well as the labor for their services, the only costs incurred by the U.S. are the risks that private entities will make mistakes and spark the anger of the recipient country. Such a risk is small considering the costs in resources and time to the private organization, and the nature of their work. They are not likely to take actions sufficiently damaging as to cause problems in the relations of the U.S. and the recipient state. On the other hand, the U.S. receives benefits which far outweigh the small risk involved.

While the U.S. benefits from the good sentiment generated by the private aid in the domestic politics of recipient countries, it still maintains a great deal of control of foreign aid giving as a whole. Adelman notes that private aid accounts for sixty percent of total U.S. foreign aid. This is divided into several categories, such as foundations, corporations, immigrant laborers sending money home to their families, as well as religious organizations. While private giving certainly makes up a large portion of the total, it is divided among thousands of actors. The approximately \$77 million given annually by the LDS Church, for example, while a large sum and certainly worthy of government concern, pales in comparison to the \$22.6 billion the U.S. government gave in aid in 2000 (Adelman, 2003). The U.S., therefore, is by still by far the largest single actor in foreign aid giving. While private aid as a whole may seem to challenge the effect of that given by the government, the U.S. should not be concerned by any one private organization competing for influence.

On the other hand, the U.S. also benefits domestically from allowing private actors to pursue their own goals in humanitarian giving. The individual entities which can give away large sums of money to humanitarian causes are inherently resource-rich. The U.S. government would inflict unnecessary harm to itself domestically if it were to restrict the ability of its well endowed constituents to give charitable contributions.

While the LDS Church engages a policy of political neutrality as an organization, it encourages its members to be politically active themselves. Were the U.S. government to curtail the ability of the Church to engage in private foreign aid, it may face the displeasure of millions of LDS constituents. Additionally, the Church's neutrality applies to elections and parties, though it has a general doctrine of obeying the law. This often leads it to support government once in office. Were the U.S. to change its policy on the allowance of private foreign aid, the Church, though not antagonistic, may become less cooperative.

This model answers the dilemma as to why the U.S. government allows private actors to take part in foreign aid giving, despite the government's own vested interest in the area. Although the U.S. would prefer to maintain control over

whatever aspects of foreign relations it can, including foreign aid, it has much more to gain both internationally and domestically by allowing private U.S. entities to engage in foreign aid giving.

PUTNAM

I propose an answer to the question of why the U.S. allows private entities to engage in foreign aid by suggesting a model of beneficial consequences to U.S. on the international and domestic levels. This model is, unintentionally, reminiscent of Putnam's model of two-level games. Putnam proposed:

The politics of many international negotiations can usefully be conceived as a two-level game. At the national level, domestic groups pursue their interests by pressuring the government to adopt favorable policies, and politicians seek power by constructing coalitions among those groups. At the international level, national governments seek to maximize their own ability to satisfy domestic pressures, while minimizing the adverse consequences of foreign developments

(Putnam, 1982).

Putnam's model suggests that leaders are constrained at both the national and international level. At the national level, politicians must deal with domestic groups who desire favorable policies. They are somewhat bound by political pressures, as these same domestic groups have influence in electing them. Meanwhile, domestic policies may be at odds with foreign policies. For example, a politician may be stuck trying to ensure product protection for domestic constituents while dealing with pressures for free trade in the international sphere. Politicians must therefore balance the desires of both domestic and international actors.

This model seems applicable to the USAID program, especially in consideration of the President Bush's implementation of the Center for Faith-Based and Community Initiatives. This allowed President Bush to construct a coalition among faith-based groups by making government grants available for them to pursue humanitarian work. Government policy makers can then direct the implementation of these programs so as to benefit their relations with actors on the international level.

While the model I have suggested in this paper shares with Putnam the characteristics of two-level consequences, and may still be original in that Putnam did not name specific actors in his model, it is actually more of an inverse to Putnam's model than analogous with it. Putnam suggests that politicians are constrained by their need to appease both domestic and international actors. They must balance their actions so as not to incur the displeasure of either. I suggest, however, that the U.S. allows private entities to play such a large role in the foreign aid sector not because they are constrained by both sides, but rather because they benefit both internationally and domestically. By allowing private actors to engage in foreign aid giving, the U.S. receives for free the positive effects of improved U.S. sentiment in foreign lands and

the appeasement of resource-rich domestic constituents. Rather than trying to balance a possible lose-lose situation in dealing with domestic and international actors, by allowing private entities to play a relatively low-risk part in international relations the U.S. ensures the benefits of a win-win situation.

CONCLUSION

The literature on foreign aid in international politics deals heavily with bilateral and multilateral aid. Private foreign aid giving is becoming an increasingly important player in this area, but has yet to receive the attention it deserves. The puzzles of why private individuals and organizations would pursue humanitarian giving at such high costs to themselves when the government is already involved, and why the government would allow private entities to compete with it in this area can be answered through a case study of the LDS Church. For the first question, I propose that private aid has emerged to allow private donors to give the humanitarian aid often lacking in government aid packages, while maintaining control of their money in order to ensure it is spent according to their desires. The U.S. allows private entities to exercise this control over foreign aid relations because it benefits the U.S. both domestically and internationally.

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