

# **Extending the American Revolution Overseas: Little-known Origins of U.S Foreign Assistance and Lessons for Today**

## **Summary**

**JOHN A. SANBRAILO  
EXECUTIVE DIRECTOR  
PAN AMERICAN DEVELOPMENT FOUNDATION**

**USAID ALUMNI MEETING  
JANUARY 30, 2014**



# Foreign Aid Origins

- **“Foreign aid as we know it began as an instrument of Cold War diplomacy. Without the Cold War, aid would likely not exist today.....”**

Carol Lancaster

“Foreign Aid: Diplomacy, Development,  
Domestic Politics “ (2007)

- **Foreign aid is an expression of the American revolutionary tradition and America’s revolutionary mission in the world.**

Gordon Wood,

“Why America Wants to Spread  
Democracy Around the World” (2011)



# “Majestic Moment”

## Foreign Aid “Begins”

Late 1940s

- **Bretton Woods System** (IMF, IBRD, GATT)
- **Other Multilaterals** (UN, WHO, FAO)
- **Truman Doctrine:** Aid to Greece & Turkey (ECA)
- **Marshall Plan/Europe** (ECA)
- **Dodge Plan/Japan** (military/ECA)
- **Point Four:** Underdeveloped Countries (TCA)
- **Export-Import Bank:** Financing Development



# “Battle of Bretton Woods”

1944-1945

## International Bank for Reconstruction and Development



***John Maynard Keynes***  
**1883-1946**



***Harry Dexter White***  
**1892-1948**



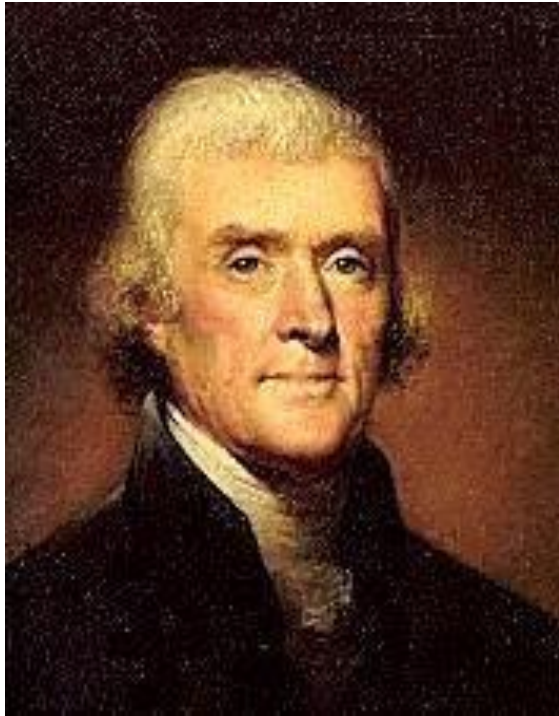
# Foreign Aid Pioneers

- **Founding Fathers**
- **19th Century Advocates**
- **Progressive Reformers** (1900-1930)
- **New Deal Reformers** (1930s-1940s)
- .....
- **“Majestic Moment”** (late 1940s & 1950s)
- **USAID** (1961-2011)

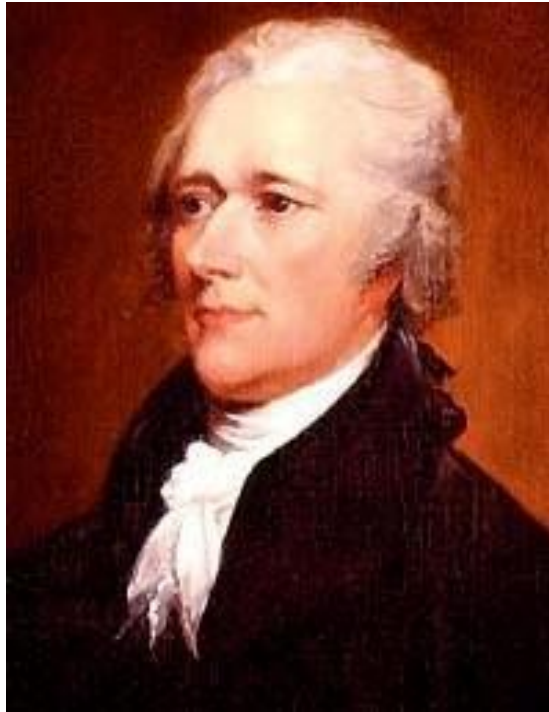


# Development Philosophers

## “Founding Fathers”



***Thomas Jefferson***



***Alexander Hamilton***



***Benjamin Franklin***



# Foreign Humanitarian & Disaster Aid

**1790s – 1890s**

- **1793:** Aid to Haitian Refugees
- **1812:** Aid to Venezuela earthquake victims
- **1820s:** “Greek Fever” & support for Greek independence
- **1848:** Response to Irish Famine
- **1862:** Aid to English textile workers (“cotton famine”)
- **1870:** Franco-Prussian War & Clara Barton (ARC)
- **1880-90s:** Ireland, Russia, India, Armenia, Cuba



# Foreign Aid Advocates

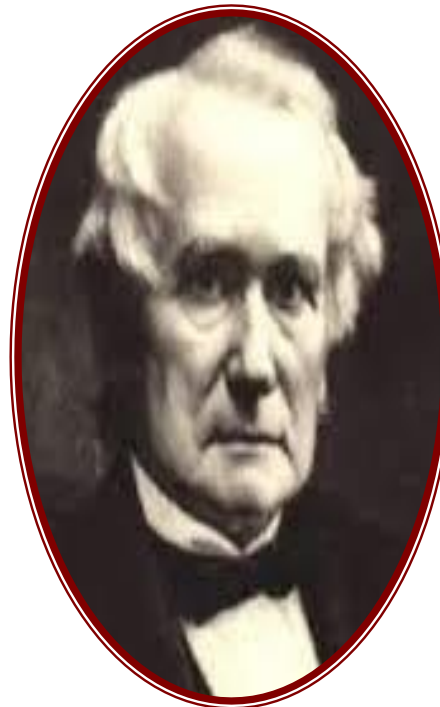
1800s-1890s



**Joel R. Poinsett**  
**1779-1851**



**Henry Clay**  
**1777-1852**



**Henry Carey**  
**1793-1879**



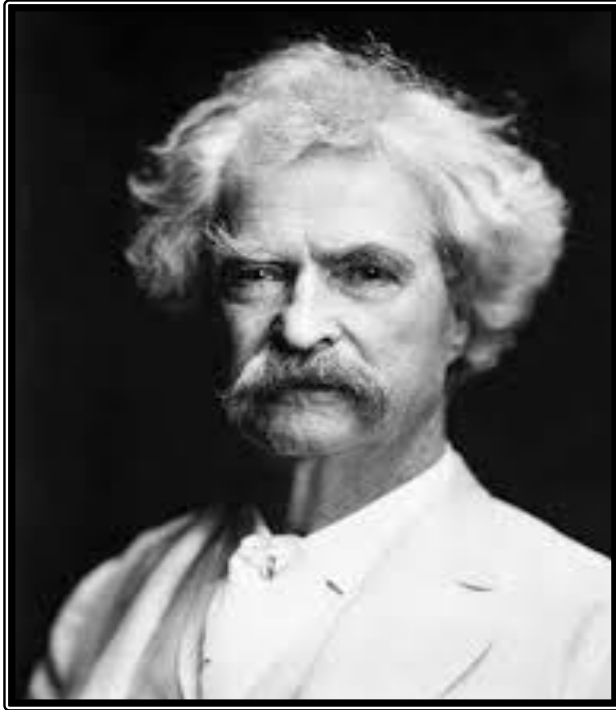
**James Blaine**  
**1889-1892**



# Foreign Aid Rejected

*“A Connecticut Yankee in King Arthur’s Court”*

1889



**Mark Twain**  
**1835-1910**



# Progressive Reformers Abroad

## Nation-Building, Food Aid & Governance

### 1900s-1920s



***Leonard Wood***  
***1860-1927***



***Herbert Hoover***  
***1874-1964***



***Edwin Kemmerer***  
***1875-1945***



# New Deal Reformers Overseas

1930s-1940s

- Franklin Roosevelt's Four Freedoms & Atlantic Charter
- Harry Hopkins & Lend-Lease Aid
- Henry Wallace in Mexico, IICA & Bureau for Economic Warfare
- Nelson Rockefeller & Institute for Inter-American Affairs
- Harry Dexter White: From LAC to Bretton Woods
- Guy Rexford Tugwell & Modernization of Puerto Rico
- David Lilienthal & TVA Expands Overseas



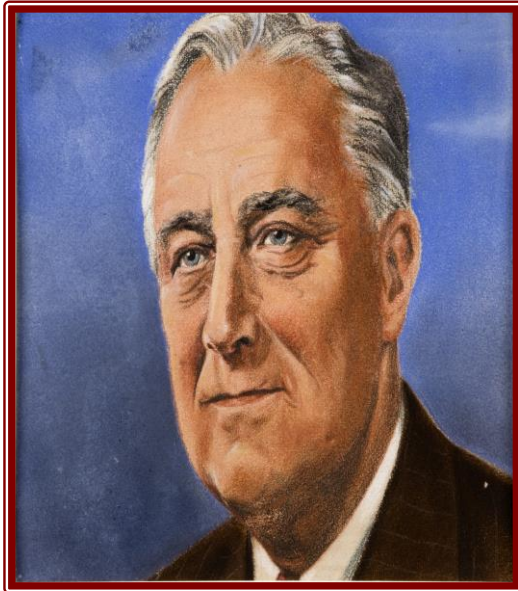
# Franklin Roosevelt

*“Four Freedoms Overseas”*

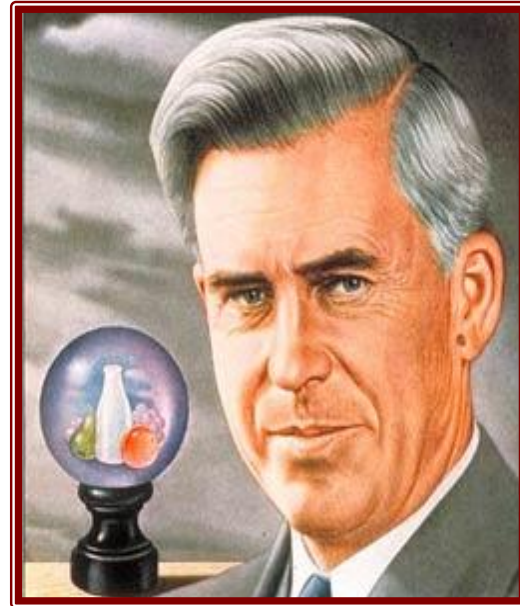
**Henry Wallace**

*“Century of the Common Man”*

*1940s*



**Franklin Roosevelt**  
**1882-1945**



**Henry Wallace**  
**1888-1965**



# Foreign Aid

## From WW II to Cold War 1940s

### WW II

- Atlantic Charter (1941)
- US Exim Bank
- Inter-American System
- Lend-Lease/BEW
- IIAA (1942-49)
- US Exim Bank

### Post-War

Bretton Woods (1944)

IMF/ IBRD

UN/WHO/FAO

Marshall Plan/ECA (ARA)

Point IV/TCA (1950s)

Exim-DLF (1950s)



# Post – WW II

## Foreign Aid Advocates

1945-1950



***George Marshall***  
***1880-1959***



***Harry Truman***  
***1884-1972***



***Benjamin Hardy***  
***1906-1951***



# Conclusions

- Foreign Aid deeply rooted in American history
- Inspired by principles of American Revolution
- Mixture of idealistic/realistic impulses in foreign policy
- Lessons from 200+ years of spreading democracy & development around the world
- To know what we have done is to know who we are



# Recommendations

- Recognize History Matters
- Build a “learning organization” on lessons from past
- Establish USAID Office of the Historian
- Place foreign aid policies/programs in historic context
- Develop lessons learned in systematic manner
- Draw on past to guide programming/training



# END SUMMARY



# **Extending the American Revolution Overseas: Little-known Origins of U.S Foreign Assistance and Lessons for Today**

**JOHN A. SANBRAILO  
EXECUTIVE DIRECTOR  
PAN AMERICAN DEVELOPMENT FOUNDATION**

**USAID ALUMNI MEETING  
JANUARY 30, 2014**



# Where are we?

- **Pan American Development Foundation** (1962)
- **Organization of American of States** (1948)
- **Pan American Sanitation Bureau** (1902)
- **Inter-American System/Pan American Union** (1890)
- **Incubator of Multilateralism & Development**



# History Matters

## “War Stories”

- **Inter-American System** (1890s)
- **Kemmerer Missions** (1920s)
- **Point Four** (1950s)
- **Taiwan miracle** (1950s)
- **Alliance for Progress** (1960s)
- **Colombia & Central America Peace Accords**
- **CDIE/DEC & USAID Mission Libraries**



# Foreign Aid Origins

- **“Foreign aid as we know it began as an instrument of Cold War diplomacy. Without the Cold War, aid would likely not exist today.....”**

Carol Lancaster

“Foreign Aid: Diplomacy, Development,  
Domestic Politics “ (2007)

- **Foreign aid is an expression of the American revolutionary tradition and America’s revolutionary mission in the world.**

Gordon Wood,

“Why America Wants to Spread  
Democracy Around the World” (2011)



# “Majestic Moment”

## Foreign Aid “Begins”

Late 1940s

- **Bretton Woods System** (IMF, IBRD, GATT)
- **Other Multilaterals** (UN, WHO, FAO)
- **Truman Doctrine:** Aid to Greece & Turkey (ECA)
- **Marshall Plan/Europe** (ECA)
- **Dodge Plan/Japan** (military/ECA)
- **Point Four:** Underdeveloped Countries (TCA)
- **Export-Import Bank:** Financing Development



# “Battle of Bretton Woods”

1944-1945

## International Bank for Reconstruction and Development



***John Maynard Keynes***  
**1883-1946**



***Harry Dexter White***  
**1892-1948**



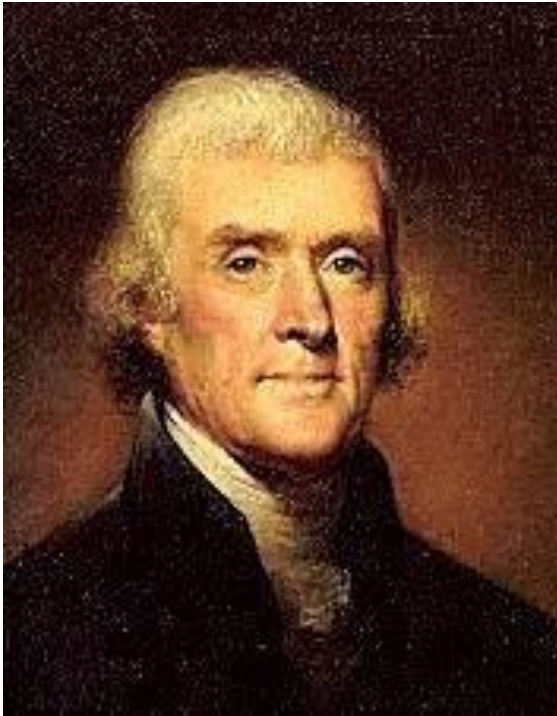
# Foreign Aid Pioneers

- **Founding Fathers**
- **19<sup>th</sup> Century Advocates**
- **Progressive Reformers** (1900-1930)
- **New Deal Reformers** (1930s-1940s)
- .....
- **“Majestic Moment”** (late 1940s & 1950s)
- **USAID** (1961-2011)

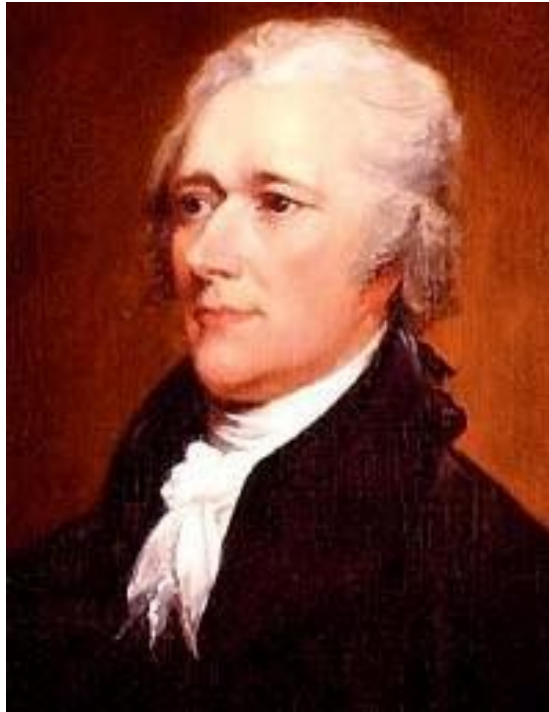


# Development Philosophers

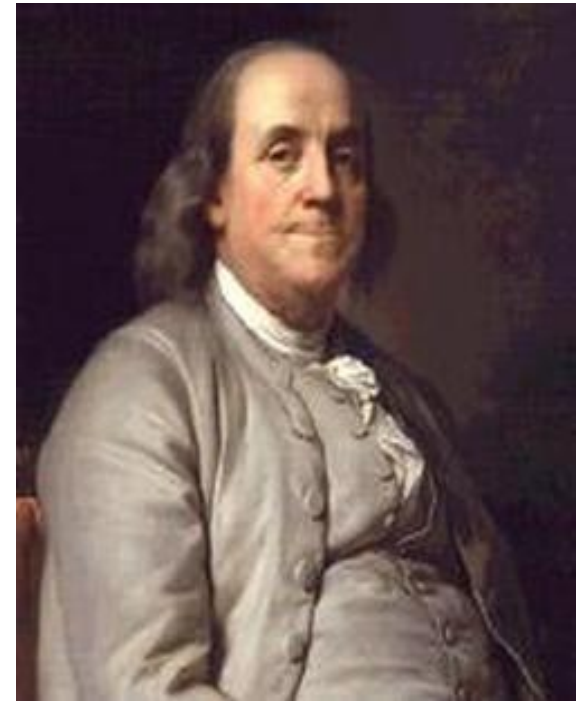
## “Founding Fathers”



***Thomas Jefferson***



***Alexander Hamilton***



***Benjamin Franklin***



# Earliest Foreign Aid

1789s-1800s

- **1789:** Jefferson & Lafayette: “Declaration of the Rights of Man and the Citizen”: “...this ball of liberty will roll around the world...”
  - **1793:** Aid to Haitian refugees
  - **1800:** Hamilton & Haiti’s first Constitution
  - **1800s:** “We desire ...to instruct you in whatever we know...We wish you to learn all our arts and to make you wise and wealthy...” Jefferson to Indian nations & overseas.
  - **1804:** Small pox vaccinations to Indian tribes Lewis & Clark
  - **1806:** Joel Poinsett, Mission to Russia
- 



# “Echoing Jefferson”

## Foreign Aid: 21st Century

- “....our individual freedom is inextricably bound to the freedom of every soul on Earth....

“We will support democracy from Asia to Africa; from the Americas to the Middle East, because our interests and our conscience compel us to act on behalf of those who long for freedom.”

**Barack Obama**

January 2013

- “.....the survival of liberty in our land increasingly depends on the success of liberty in other lands...”

**George W. Bush**

January 2005



# Foreign Aid Expands

## 1810s-1830s

- **1810:** Joel Poinsett & “Nation-Building” in Chile
- **1812:** Aid for Venezuela earthquake victims
- **1810s:** American Board of Foreign Missions & ABS
- **1819:** Aid for Nation-Building in Liberia & ACS
- **1820:** Henry Clay proposes International Cooperation
- **1820s-1830s:** Democracy Promotion in Mexico & American advisors overseas



# Early Foreign Aid Advocates

1810s-1830s



***Joel R. Poinsett***  
***1779-1851***

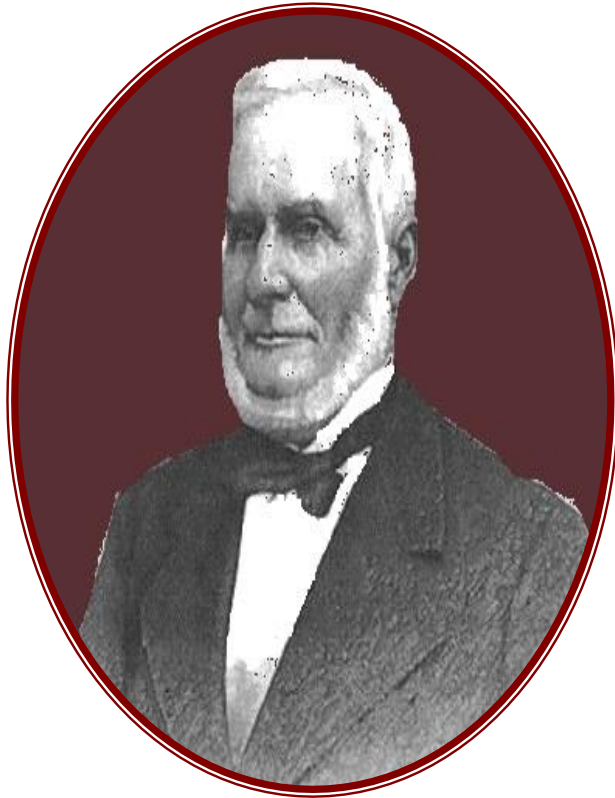


***Henry Clay***  
***1777-1852***



# Early Foreign Aid Advisors

1820s-1860s



***Isaac W. Wheelwright***  
**1801-1890**



***William Wheelwright***  
**1798-1873**



# Foreign Humanitarian & Disaster Aid

## 1810s – 1890s

- **1812:** Aid to Venezuela earthquake victims
- **1820s:** “Greek Fever” & support for Greek independence
- **1848:** Response to Irish Famine
- **1862:** Aid to English textile workers (“cotton famine”)
- **1868:** Earthquake/tidal wave in Peru-Ecuador
- **1870:** Franco-Prussian War & Clara Barton (ARC)
- **1880s-1890s:** Ireland, Russia, India, Armenia, Cuba



# Lincoln's Economist Overseas

## 1860s – 1870s

- Henry Carey & “American School of Economics”
- Carey’s proposals to Germany, Japan, Russia
- Assistance to Bismark & Unification of Germany
- Support for Nation-Building in Japan
- U.S. Technical Advisors in Japan: Erasmus Peshine Smith, General Horace Capron, others (1870s):
- Philadelphia Centennial (1876)

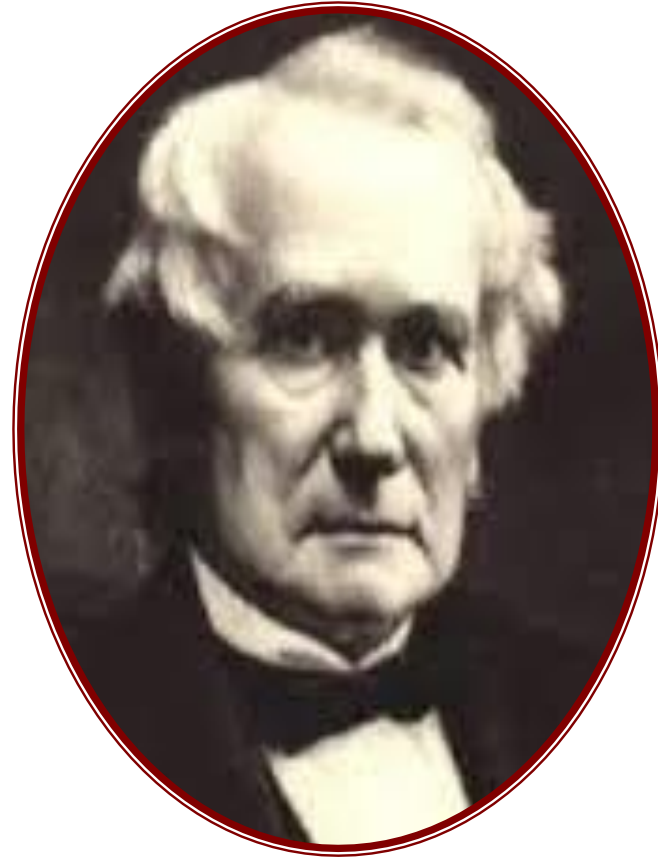


# Lincoln's Economist Overseas

1860s



***Abraham Lincoln***  
***1809-1865***



***Henry Carey***  
***1793-1879***



# Grant Administration

**1870s**

- Modernization of Japan & goodwill tour 1879
  - Isthmian Canal & Development of Central America
  - Proposed Annexation of Dominican Republic
  - Extending American Red Cross Overseas
  - Smithsonian Institution Abroad
  - Chinese Education Mission to the U.S.
- 



# Grant's Advisors Overseas

1870s



***Ulysses S. Grant***  
**1822–1885**



**E. Peshine Smith**  
**1814–1882**



# Foreign Aid Expands

1880s -1890s

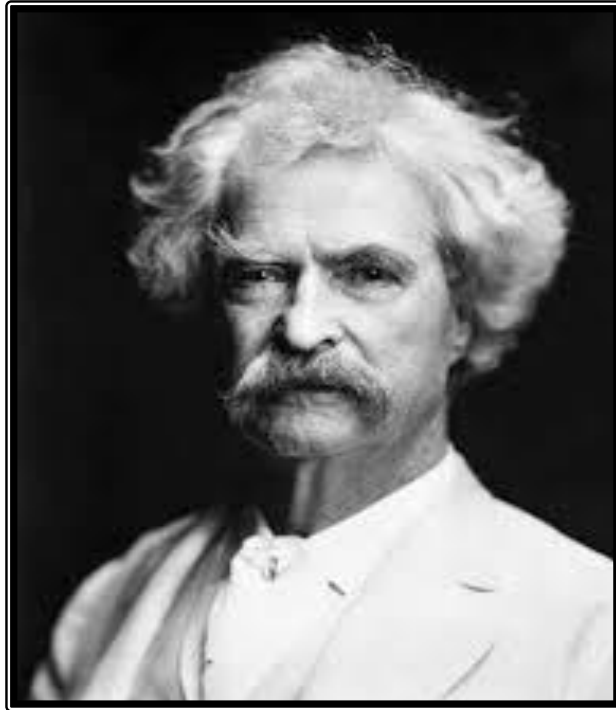
- Charles Murphy: “Corn Evangelist” in Europe
  - Gerow Brill in China (Cornell University)
  - David Lubin & International Institute of Agriculture
  - James Blaine & Inter-American System (1890)
  - Pan American Development Agencies (PASB, Railroad)
  - Columbian Exposition in Chicago (1893)
  - Aid to Cuba & Spanish-American War (1898)
- 



# Foreign Aid Rejected

*“A Connecticut Yankee in King Arthur’s Court”*

1889



**Mark Twain**  
**1835-1910**



# Progressive Reformers Abroad

1898 – 1920s

- Leonard Wood & Nation-Building in Caribbean/Philippines
- Yellow Fever: Walter Reed & William Gorgas
- Pan American Bureau for Sanitation (PABS)
- War Department: Bureau for Insular Affairs (Nation-Building)
- Building the Panama Canal & the Pan American Highway
- Carnegie Corporation, Rockefeller Foundation, China Medical Board & Famine Relief Commission, etc.



# Yellow Fever & Nation-Builders

1900s-1920s



**Walter Reed**  
1851-1902



**William Gorgas**  
1851-1920



**Leonard Wood**  
1860-1927



# Progressive Reformers Abroad

1910s – 1920s

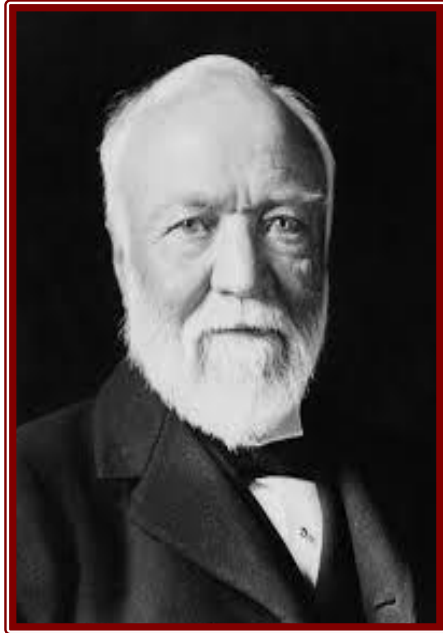
- Wilson & “Making the World Safe for Democracy”
  - Herbert Hoover: Aid during WW I & American Relief Administration (ARA)--NGOs
  - Edwin Kemmerer: Princeton University & Governance in Underdeveloped Countries
  - Suffragettes & Inter-American Commission for Women
  - Others (humanitarian – disaster assistance)
- 



# American Philanthropy Abroad

Public Health, Education, Development,  
Community Service

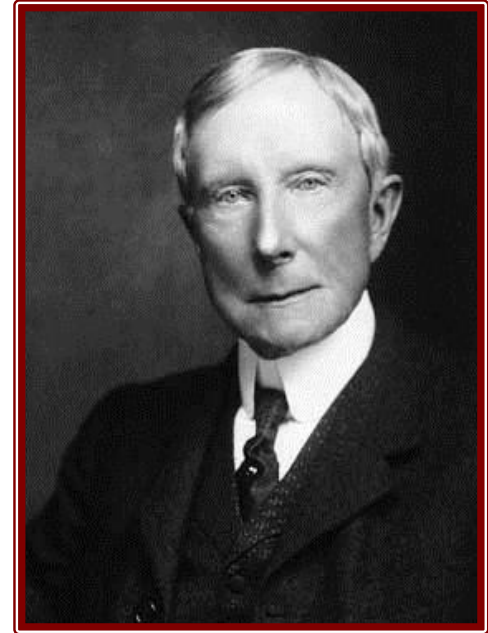
1890s-1920s



**Andrew Carnegie**  
**1835-1919**



**Paul P. Harris**  
**1868-1947**



**John D. Rockefeller**  
**1839-1937**



# Progressive Reformers Abroad

## Food Aid, Development & Governance

### 1910s-1920s



***Herbert Hoover***  
***1874-1964***



***Edwin Kemmerer***  
***1875-1945***



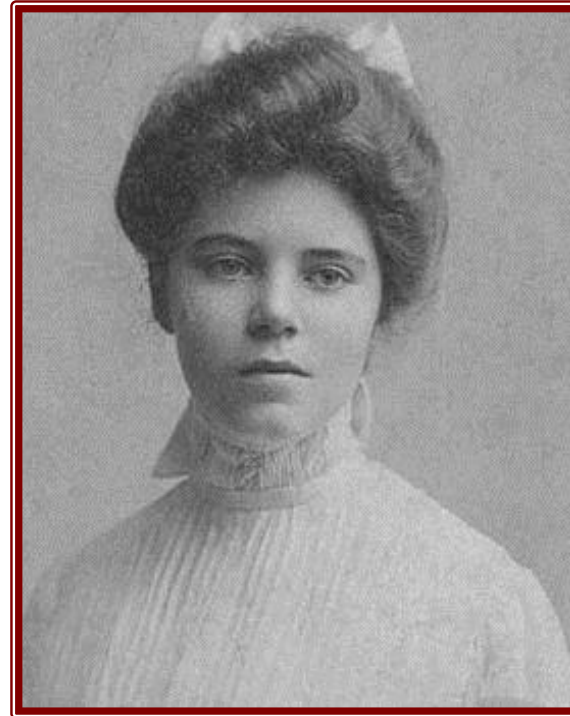
# Women Rights Abroad

## Inter-American Commission for Women

### 1920s



***Doris Stevens***  
**1892-1963**



***Alice Paul***  
**1885-1977**



# New Deal Reformers Overseas

1930s – 1940s

- Franklin Roosevelt & Good Neighbor Policy
- Leo Rowe & Pan American Union: Incubator of development
- Harry Dexter White: Stabilizing & Developing LAC countries
- EXIM Bank, Development Financing & Inter-American Bank
- State Committee on Scientific & Cultural Cooperation
- Pearl Buck's *"The Good Earth"* & Henry Luce's *"The American Century"*



# Foreign Aid Advocates

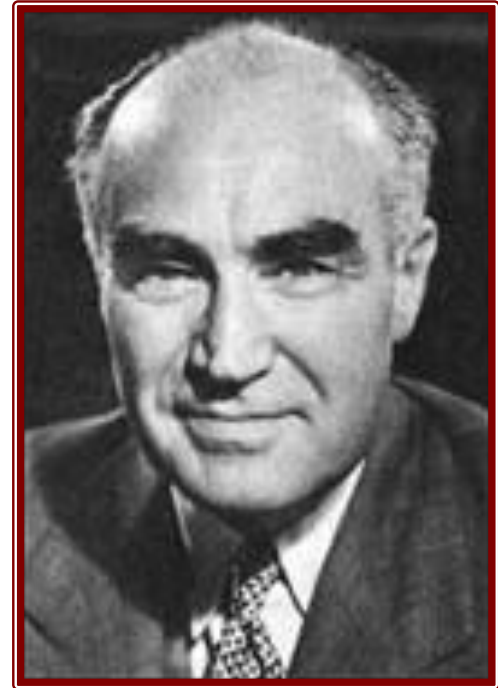
1930s-1940s



***Leo Rowe***  
**1871-1946**



***Pearl Buck***  
**1892-1973**



***Harry Luce***  
**1898-1967**



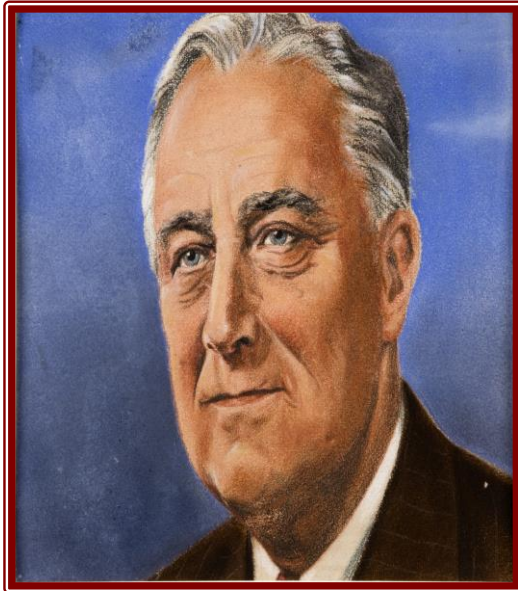
# Franklin Roosevelt

*“Four Freedoms Overseas”*

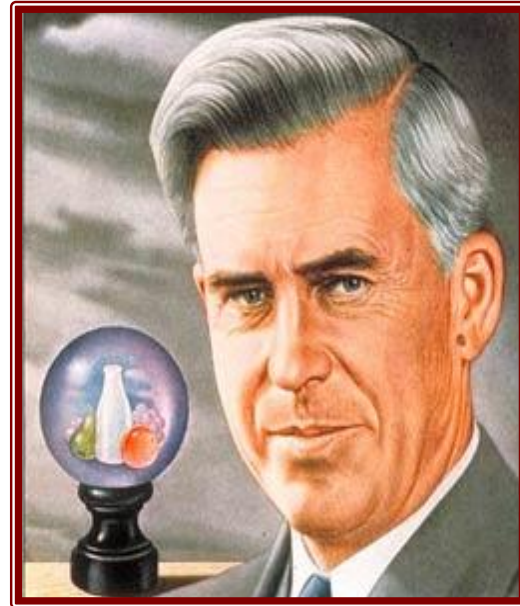
**Henry Wallace**

*“Century of the Common Man”*

*1940s*



**Franklin Roosevelt**  
**1882-1945**



**Henry Wallace**  
**1888-1965**



# New Deal Reformers

## 1940s

- Franklin Roosevelt's Four Freedoms & Atlantic Charter
- Harry Hopkins & Lend-Lease Aid
- Henry Wallace in Mexico, IICA & Bureau for Economic Warfare
- Nelson Rockefeller & Institute for Inter-American Affairs
- Harry Dexter White: From LAC to Bretton Woods
- Guy Rexford Tugwell & Modernization of Puerto Rico
- David Lilienthal & TVA Expands Overseas



# Foreign Aid Innovators

1940s



***Harry Hopkins***  
**1890-1946**



***Henry Wallace***  
**1888-1965**



***Nelson Rockefeller***  
**1908-1979**

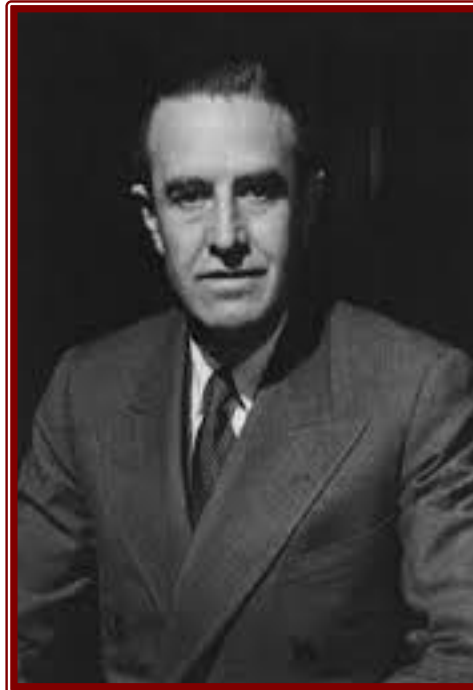


# Foreign Aid Innovators

1940s



***Guy Rexford Tugwell***  
***1891-1979***



***Averell Harriman***  
***1891-1986***



***David Lilienthal***  
***1899-1981***



# Foreign Aid

## From WW II to Cold War 1940s

### WW II

- Atlantic Charter (1941)
- US Exim Bank
- Inter-American System
- Lend-Lease/BEW
- IIAA (1942-49)
- US Exim Bank

### Post-War

Bretton Woods (1944)

IMF/ IBRD

UN/WHO/FAO

Marshall Plan/ECA (ARA)

Point IV/TCA (1950s)

Exim-DLF (1950s)



# Post – WW II

## Foreign Aid Advocates

1945-1950



***George Marshall***  
***1880-1959***



***Harry Truman***  
***1884-1972***



***Benjamin Hardy***  
***1906-1951***



# Foreign Aid: 1950s

## CONTAINING COMMUNISM USAID PREDECESSOR AGENCIES

- Mutual Security Agency (MSA)
- Foreign Operations Administration (FOA)
- International Cooperation Administration (ICA)
- PL-480 Program
- Export-Import Bank
- Development Loan Fund (DLF)
- NGOs & Contractors



# Foreign Aid:1961-2011

## USAID History

- **1960s:** Alliance for Progress & Decade of Development
  - **1970s:** New Directions & Basic Human Needs
  - **1980s:** Market-Trade Reforms & Democracy Promotion
  - **1990s:** Fall of Communism & Sustainable Development
  - **2000s:** War on Terror/Drugs, MDGs, HIV/AIDS
  - **2011-2015:** USAID Policy Framework
- 



# Conclusions

- Foreign Aid deeply rooted in American history
- Inspired by principles of American Revolution
- Mixture of idealistic/realistic impulses in foreign policy
- Lessons from 200+ years of spreading democracy & development around the world
- To know what we have done is to know who we are



# Recommendations

- Recognize History Matters
- Build a “learning organization” on lessons from past
- Establish USAID Office of the Historian
- Place foreign aid policies/programs in historic context
- Develop lessons learned in systematic manner
- Draw on past to guide programming/training

