Aid for Elites

Current foreign aid programs are failing because they are based upon flawed assumptions about how countries develop. They attempt to achieve development without first achieving good governance and security, which are essential prerequisites for sustainable development. In focusing on the poorer members of society, they neglect the elites upon whose leadership the quality of governance and security depends. By downplaying the relevance of cultural factors to development, they avoid altering cultural characteristics that account for most of the weaknesses of elites in poor nations. Foreign aid can be made much more effective by focusing it on human capital development, especially in the governance and security sectors. Training, education, and other forms of assistance can confer both skills and cultural attributes on current and future leaders.

MARK MOYAR is the author of numerous books and articles on national security and capacity building, including *Triumph Forsaken: The Vietnam War, 1954–1965*, *A Question of Command: Counterinsurgency from the Civil War to Iraq*, and *Strategic Failure: How President Obama's Drone Warfare, Defense Cuts, and Military Amateurism Have Imperiled America*. He is a Visiting Scholar at the Foreign Policy Initiative, and has served as a professor at the U.S. Marine Corps University, where he held the Kim T. Adamson Chair of Insurgency and Terrorism, and the Joint Special Operations University. A frequent visitor to foreign conflict zones, he has served as a consultant to the senior leadership of several U.S. military commands.

Aid for Elites

Building Partner Nations and Ending Poverty through Human Capital

MARK MOYAR
The Foreign Policy Initiative

CAMBRIDGE
UNIVERSITY PRESS

CAMBRIDGE
UNIVERSITY PRESS

32 Avenue of the Americas, New York, NY 10013-2473, USA

Cambridge University Press is part of the University of Cambridge.

It furthers the University's mission by disseminating knowledge in the pursuit of education, learning, and research at the highest international levels of excellence.

www.cambridge.org
Information on this title: www.cambridge.org/9781107565012

First published 2016

Printed in the United States of America by Sheridan Books, Inc.

A catalog record for this publication is available from the British Library.

Library of Congress Cataloging-in-Publication Data
Moyar, Mark.
Aid for elites : building partner nations and ending poverty through human capital / Mark Moyar.
pages cm
Includes bibliographical references.
ISBN 978-1-107-12548-3 (Hardback) – ISBN 978-1-107-56501-2 (Paperback.) 1. Human capital–Developing countries. 2. National security–United States–Planning. 3. Military assistance, American–Developing countries. 4. National security–International cooperation. I. Title.
HD4904.7.M693 2015
338.91′73–dc23 2015013322

ISBN 978-1-107-12548-3 Hardback
ISBN 978-1-107-56501-2 Paperback

Contents

Preface

On September 11, 2001, four suicide airplane attacks ended a decade of optimism about global progress and showed that events in the third world had a more direct bearing on first world security and prosperity than ever before. Energized by the specter of international terrorism, the United States invaded Afghanistan and Iraq to nullify perceived threats to U.S. security and international peace. But the unexpected duration and costs of those wars, along with the passage of a dozen years with few terrorist-related casualties inside the United States, eroded American enthusiasm for large overseas commitments. American politicians began to slash defense spending and downsize America's military presence across the world while urging other nations to take on greater roles in international security.

In justifying American retrenchment, the administration of Barack Obama asserted that the attrition of Al Qaeda, the training of Afghanistan's security forces, and various other developments had made the world a safer place. Some tactical victories had indeed been scored in recent years. Yet the situation in the third world does not, in general, look much better today than it did on September 11, 2001, and is in some respects worse. Political upheaval, war, and the persistence of Islamic extremism have woven a belt of instability from Pakistan in the east through Afghanistan, Iran, Iraq, Syria, the Palestinian territories, Egypt, and Libya in the west. Pockets of danger lurk not far afield in Yemen, Somalia, Mali, and Nigeria. In these countries, the tremors of international terrorism, war, and humanitarian catastrophe continue to be felt with disturbing frequency and at times shake entire lands. Terrorist organizations also retain strength in Asia, especially in Indonesia, and the rogue regime in North Korea menaces the world with nuclear weapons, conventional military power, illicit financing, and cyberwarfare. In the Western hemisphere, the destabilization of Mexico and most of Central

America by large narcotraffickers has caused large flows of illicit immigrants, drugs, and drug-related violence into the United States.

During the past five years, in various official and unofficial capacities, I have visited many of the countries buffeted by the tide of instability. During most of this travel, my primary purpose was to find ways for the United States to help these countries and, in the process, to protect its own interests. Without exception, the American civilian officials and military officers in these nations recognize that developing indigenous capabilities to contend with instability is becoming ever more important in light of America's military and diplomatic retrenchment. In fact, this mission has become so much accepted as an overarching objective that it has acquired its own buzz phrase, "building partner capacity," and an accompanying acronym, "BPC."

Despite all the current emphasis on BPC, little has been written on what can be called HBPC, or "how to build partner capacity." Popular and scholarly books on global affairs continue to focus on large trends, themes, and theories, such as globalization, the decline of American influence, or the nature of international power. As I have often heard generals and diplomats complain, such books have their uses in formulating grand strategy but are considerably less useful in putting strategic principles into practice, which today is the most daunting challenge. It is easy to determine that strengthening third world governments should be a key component of U.S. grand strategy but much more difficult to figure out how those governments can be strengthened.

Specialists at think tanks, academic institutions, government agencies, and the World Bank have written valuable studies on specific areas of contemporary U.S. foreign assistance, many of which are published by the sponsoring organization and read mainly within specialist communities. Most of today's experts on foreign assistance specialize in one of the three basic sectors – development, governance, and security – and spend little time on the other two. This division is unfortunate, because the three sectors are interrelated, and an optimal foreign assistance strategy requires an understanding of the interrelationships as well as the relative importance of each sector. One of the principal purposes of this book is to bring together the disparate strands of thinking on foreign assistance for the benefit of the parts and the creation of a coherent whole.

This book argues that misperceptions of the nature of human societies have resulted in flawed foreign assistance strategies. Too much of the foreign aid pie has been allocated to social and economic development and not enough to governance and security. While development is vital to the welfare of a country and to the self-sufficiency that diminishes the need for foreign assistance, it cannot be achieved under the conditions of poor governance and insecurity that prevail in much of the third world today. If foreign donors wish to alleviate poverty and make lives better in the third world, they should shift aid resources from development to governance and security.

Fundamental misperceptions have also caused donors to neglect the development of the third world's human capital, the most important ingredient in governance and security, as well as in social and economic development. Because of egalitarian developmental theories, current foreign assistance programs are overwhelmingly focused on helping the poorer members of societies, to the neglect of the elites. But a nation's ultimate viability depends on the elites, the persons of highest authority or influence, so to neglect them is to leave the country in perpetual dependency. During the 1950s and 1960s, the first world spent heavily on human capital development in order to provide poor nations with the leaders required for all critical sectors of society. It needs to do so again.

Training and education are the cornerstones of human capital development. They are critical not only because they confer skills but also because they confer culture, another aspect of building partner capacity that has been neglected because of flawed theories of development. Foreign aid should support advanced training and education for the individuals best suited to leadership positions. In addition, the military organizations of both recipient and donor countries can and should play critical roles in human capital development.

As the book's endnotes attest, I made extensive use of publicly available sources on contemporary foreign assistance programs. Those sources are, however, often incomplete or out of date. I therefore devoted considerable time to interviewing the people designing, implementing, and evaluating those programs, at overseas embassies, military outposts, donor conferences, and Beltway office buildings. This book is much the richer for their willingness to talk about current activities and events. One hears much at the U.S. embassy in Addis Ababa or the headquarters of the Colombian Special Forces that one would never learn from newspapers or think-tank reports.

For the most part, the individuals interviewed on the front lines of foreign assistance go unnamed in the pages that follow. Some asked that I not mention them by name. I omitted the names of a number of others because of the possibility that mention of their names could adversely affect them.

The research for this book also included extensive historical investigation, based on a belief that the ideas of the current generation are not necessarily superior to those of its predecessors. I have endeavored to probe history for what has been tried and how it worked in the past, and held it up against the backdrop of today to assess whether it will work now. As shall be seen, this methodology brought me to the conclusion that many American foreign assistance programs of the 1950s and 1960s should be resurrected. At the same time, I looked for approaches that had not been tried, especially with regard to newly emergent problems, and identified some that are deserving of pilot testing or immediate application.

The future of U.S. foreign assistance is bound to the future of the United States in the world more broadly. In the past few years, American politicians from across the political spectrum have advocated a reduced role for the United

States in world affairs, in which the United States spends much less on foreign assistance and defense, defers to regional powers in solving localized problems, and concentrates on "nation building at home." The sources of this new isolationism range from feelings of guilt over past national transgressions to perceptions that U.S. involvement in the world has been ineffective or counterproductive. This book employs facts to correct misperceptions of the past and to show why the real mistakes of the past need not determine future behavior. With the security of wealthy and poor countries linked as never before, promoting human capital development in the third world will result in greater security and higher quality of life for the people of all nations.

Acknowledgments

This book was made possible by the Smith Richardson Foundation, which provided a generous research grant. I would like to thank Nadia Schadlow and the anonymous peer reviewers commissioned by the foundation for their help in guiding the project through the foundation's wickets. The peer reviewers who read the manuscript for Cambridge University Press also offered many useful comments.

Former USAID administrator Andrew Natsios, Dr. Mark Ahles of the Defense Institute of Security Assistance Management, Dr. Melissa Thomas of Johns Hopkins University, and Lieutenant Colonel Adam Strickland read chapters of the manuscript and provided valuable feedback. Juan Zarate, the former deputy national security adviser for counterterrorism, and Chip Poncy, director of the Treasury Department's Office of Strategic Policy for Terrorist Financing and Financial Crimes, were invaluable sounding boards and sources of information and insight. Brigadier General Hector Pagan has done much to broaden my comprehension of Latin America and the activities of U.S. special operations forces around the world.

Tina Malone, Dean E. Cheves, and Stephen Fitzpatrick arranged meetings with U.S. and foreign officials in various countries. Other individuals who provided similar assistance or agreed to be interviewed must remain anonymous, but they are no less deserving of thanks. Jerre Wilson of the Marine Corps University and John Hales and Brigadier General Thomas V. Draude USMC (Ret.) of the Marine Corps University Foundation permitted me to work as a research fellow while completing the book.

Neither these individuals nor anyone else interviewed for this book or cited herein bears responsibility for the book's content. Any and all criticisms should be directed at the author alone. Although I have spent much of the past decade working for the U.S. government, the views expressed in the book are solely

those of the author and do not represent the views, policies, or positions of the U.S. government.

Last but not least, I must thank my family for their loving support. My wife, Kelli, and children, Greta, Trent, and Luke, weathered my prolonged trips to distant lands with patience and good cheer. My parents, Bert and Marjorie Moyar, and my in-laws, Ralph and Barbara Meilander, lent much-needed hands during the period in which the book was written.