Why Should More United States Tax Money Be Used to Pay for Development Assistance in Poor Countries?

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Why should more United States tax money be used to pay for development assistance, including population assistance, in poor countries? This is a contentious political question, as recent debates in the US Congress have shown. But it is not only a political question. Focusing on what needs to be known to answer the question persuasively would sharpen scientific research. Giving a full answer demands more than is presently known.

My question is limited. I am not asking why an individual in the United States or another wealthy country might want to contribute more of his or her time and treasure to pay for development assistance in poor countries. That is a choice for each individual to make, though answers to my question might help an individual form his or her preferences. I believe that more programs for reproductive health, contraceptive access, credit, environmental protection, and schooling would be better for children, women, and men in poor countries, but that too is another question. I am asking why I, as an American taxpayer, should be taxed more for such programs.

Before proceeding, some numbers might be illuminating. In the early 1990s, official development assistance, or ODA, from the United States for all purposes averaged around \$10.9 billion annually, or roughly 0.2 percent of gross national product, and less than 1 percent of the Federal budget. In 1993, US ODA was \$38 per US citizen (World Resources Institute 1996: 169). For comparison, in 1993 Italy's ODA was \$53 per Italian; Austria's was \$69 per Austrian; Canada's was \$82 per person; France's was \$138 per person; and Denmark's was \$259 per person. In these cases, ODA was a higher percentage of gross national product than in the United States, and in Denmark ODA was 1.0 percent of GNP. But what the neighbors are doing is not a compelling argument that the United States should spend more; maybe others are spending too much.

Because elected representatives must approve taxation in the United States and they often like to be re-elected, I propose that answers to my question, "Why should more United States tax money be used to pay for development assistance in poor countries?" must be grounded in self-interest (Cassen et al. 1982). As an American taxpayer, I will agree that I should be made to pay more taxes for development assistance in poor countries if I see that it is good for me. I have in mind self-interest that is both individual and collective, that is short-term and long-term, and that represents the enormous diversity of economic, environmental, and cultural values that American taxpayers hold.

My question then breaks into two questions. First, how would American interests be advanced by more rapid development or harmed by less rapid development in poor countries? Second, why is taxing me to pay for US government development programs a more effective way to promote development in poor countries than alternatives?

My answers to both of these questions so far lack an adequate foundation in fact. Hence, for policymakers and legislators, they have to be viewed as summaries of existing data, subject to modification by further experience. For scholars, they have to be viewed as hypotheses, conjectures, and agendas for research.

American interests

My first question is, how would American interests be advanced by more rapid development or harmed by less rapid development in poor countries? In this question, I view development broadly as including demographic, economic, environmental, and cultural aspects, all inseparably intertwined. For example, more investment in public health, including reproductive health, seems likely to support more rapid economic development, faster fertility decline, greater environmental protection, and faster improvements in women's status, among other cultural changes. Conversely, more rapid economic development, faster fertility decline, greater environmental protection, and faster improvements in women's status together seem likely to promote more rapid improvements in health (World Health Organization 1992; Shane 1997). The same seems likely for more investment in universal primary and secondary education (Colclough 1993), and for greater equity among the strata that criss-cross many societies (Dasgupta 1993; Sen 1992). Although "development" means different things to different people, I do not necessarily envision development as entailing mimicry of the United States or other Western countries, either in institutional forms or in the volume of materials transformed by the economy.

I propose eight answers to this first question of self-interest. These answers rest on economic, demographic, environmental, and cultural claims or hypotheses.

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First, if the 4.7 billion people, or four-fifths of humanity, who live at average incomes of \$1,100 per year (Population Reference Bureau 1997) were substantially richer, they would be better potential customers for US exports.

Second, if the present and future labor force of poor countries were not increasing much more rapidly than the labor force of rich countries including the United States, poor workers would provide less competition for every kind of job from unskilled production and assembly to sophisticated systems analysis, computer programming, and engineering.

Third, if the level of living in poor countries were not so far below that in the rich countries, the rich countries would face less pressure for immigration. Americans would be required to make fewer difficult tradeoffs among economic, political, ethnic, humanitarian, and other values.

Fourth, all people share important global commons, including the atmosphere, the oceans, the solid crust, and other living species. Carbon dioxide from the exhaust pipe of a private car in Manhattan mixes with carbon dioxide from a coal-fired power plant in China in less than a week. Ultraviolet radiation that passes through ozone holes over both poles cares not whose eyes and skin it burns. The responsibilities for and consequences of global changes in the atmosphere are shared, even if not equally. Americans have an interest in seeing that poor countries want to protect global commons, can afford to do so after considering their own requirements for subsistence, and have the best available means.

Fifth, American public health is linked to the health of the poor countries through infectious diseases that affect American travelers and military abroad as well as visitors and migrants here. Joshua Lederberg, a Nobel laureate in medicine and physiology, observed in 1988: "The bacteria and viruses know nothing of national sovereignties. . . . As one species, we share a common vulnerability to these scourges. No matter how selfish our motives, we can no longer be indifferent to the suffering of others. The microbe that felled one child in a distant continent yesterday can reach yours today and seed a global pandemic tomorrow" (pp. 684–685).

Sixth, poor countries with rapidly growing populations, less productive economies, and degrading environments may be sources of political and military instability. Such instability may involve the deployment of American money and lives, as in Somalia and Haiti recently, and may threaten major confrontations, as between Pakistan and India.

Seventh, poor countries may view their own rapidly growing populations, less productive economies, and degrading environments as justifying restrictions of individual freedom, as in China. I believe that most Americans, and officially the US government, view an increase in restrictions on individual freedom abroad as a threat to US interests.

Eighth, many Americans feel deep humanitarian concerns about the wellbeing of fellow humans. Their moral self-interest is affected by the suffering of others. In 1890, in a book called *How the Other Half Lives*, Jacob Riis, a Danish immigrant who became a newspaper reporter, described the tenements of New York. His account evokes the stinking, violent slums of many megacities in poor countries today. Among the reasons he gave why the well-off should be concerned about the conditions of the poor was this quotation from a builder in Brooklyn: "How shall the love of God be understood by those who have been nurtured in sight only of the greed of man?" Widespread charitable responses to humanitarian crises abroad, and the many voluntary organizations devoted to ameliorating the daily grind of poverty, are proofs that many Americans take humanitarian concerns seriously.

These eight ways that American interests would be advanced by more rapid development in poor countries cover a spectrum from the most narrowly economic to the most broadly moral. The empirical basis for each of these claims of American self-interest needs to be refined and made more quantitative.

Alternatives

Now I turn to my second question: why is taxing Americans to pay for US government assistance a more effective way to promote development in poor countries than alternatives? Alternatives include, for example, leaving more money in the hands of individual Americans to make charitable contributions and remittances abroad or to buy track shoes made in poor countries, or letting American corporations freely invest and trade abroad in pursuit of profit. Another alternative is to reduce US official development assistance, with the announced intention of encouraging the officials and citizens of poor countries to see more sharply that it is they who will bear the consequences of their own choices (Abernethy 1993).

A satisfactory answer to this second question would include a demonstration that US official development assistance to poor countries has effectively promoted one or more of the eight American interests I have just listed, or others. Examples can be found of great successes, of counterproductive fiascoes, and of partial successes and failures, with an overall honorable record of attempting to learn from experience (e.g., Cassen et al. 1994).

Another part of answering this question would be a comparison of the effects of the US government's development assistance with the effects of doing less or nothing, of interventions by multinational corporations and private charities, and of remittances. Teasing apart the effects of interventions by the US government, corporations, and charities may be very difficult because they often cooperate and invariably interact. Admitting at the outset that most interventions have multiple effects, it would still be very helpful to have case-by-case analyses of which aspects of self-interest

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are best served by government, corporations, private charities, and remittances, at which stages of development and under which conditions.

Most profit-making American corporations (with the exception of for-profit contractors in development work) have neither the mandate nor the means to provide public goods in poor countries or to protect global commons. It is not their business to control infectious diseases, to assure reproductive health, or to provide contraceptive access. It is largely the function of governments, sometimes with the leadership and support of nonprofit organizations, to provide these services—services that affect Americans' self-interest. On the other hand, US multinational corporations may far outperform the US government in stimulating employment and effectively pressing for the creation of sound commercial law in poor countries. Corporations have great potential to accelerate cultural change through their practices in employing (or not employing) women and children, in occupational safety, and in environmental protection, for example.

Communications in the population sciences

In conclusion, I wish to comment on communications in the population sciences. These sciences link population with economics, the environment, and cultures (including politics, ethics, and values) (Cohen 1995). Although the population sciences are imperfect and incomplete, they have more to offer decisionmakers, in and out of government, than population scientists currently offer them. Decisionmakers are accustomed to operating in situations of uncertainty. Population scientists who aim to communicate with decisionmakers should not try to disguise the uncertainties that surround our best knowledge. Through candid communication with each other, population scientists and decisionmakers have much to learn about what both need to know to understand the world, and to make it a better place for Americans and for others.

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