The United States and Socialism in Africa
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In a most virulent anti-American diatribe Ghana’s Kwame Nkrumah wrote that “Development in the new countries along non-capitalistic lines must be frustrated in the interests of Western imperialism.” “The aim of the imperialist powers in the application of their aid programmes,” he maintained, “is to turn the State sector [of the economies of developing states] into an appendage of private capital.” To back up this contention he noted that it is the declared policy of the Agency for International Development (A.I.D.) to use United States foreign economic assistance to encourage the development of the private sectors of the economies of the aid-receiving countries and to discourage publicly-owned industries.¹

On the face of it, Nkrumah’s statement appears to describe correctly but crudely an underlying purpose of United States aid policy. For if ever there was a strong, conscientious and vocal champion of capitalist development it is the United States. Its very affluence stands as a striking testament to the efficacy of capitalism, at least the North American variety. Because of its almost embarrassing material success, popularly attributed to private ownership of the means of production and distribution, there is a sort of built-in bias in America against socialist enterprise. The importance of governmental involvement and assistance to the American economy now and in its formative and expansive eras cannot be discounted. Nevertheless, the American citizenry is convinced that its material well-being is largely a function of individual enterprise and initiative. Notwithstanding important reservations, Americans are basically right.

Consequently, to label a regime or an economic system socialist usually serves to discredit it in the eyes of the United States population. One would think that this bias would be reflected in the policies carried out by the administrations in Washington. It is the purpose of this chapter to explore this hypothesis and to assess to what degree this and related attitudes shape American policies toward the new States of Africa.

A word about the compass and organization of the chapter is in order. Our

chief concern is to determine to what extent considerations of the nature of the internal economic systems of African States affect American aid practices. Do A.I.D. officials ask themselves if a state is socialist or if its policies encourage indigenous private enterprise before deciding how much U.S. money should be advanced? If they do, as Nkrumah insists, to what extent do their answers shape the final aid decision? We will first survey Congressional and then Executive branch attitudes (as expressed in speeches and official publications) toward socialism in Africa and aid to public enterprises in developing countries. This will be followed by an attempt to assess the extent to which Congressional and Executive expressions of policy reflect actual American aid practices. By way of conclusion we shall try to suggest those criteria by which aid decisions are, in fact, determined.

The problems of determining political motives are legion. They are compounded when the subject is the gigantic machinery of the United States government. The decision-making process in the Department of State and A.I.D. is labyrinthine. In numerous instances it is virtually impossible for an outsider to identify the locus of authority for particular decisions. In such circumstances, it would be presumptuous to regard these findings as more than tentative. They are, at best, hypotheses that merit more thorough testing and analysis.

While it is true that individual members of the Senate and the House of Representatives have spoken in opposition to American aid to state enterprises in the developing world, few have troubled to introduce this element into the discussions on foreign aid. In the absence of a record vote explicitly on such an issue, it becomes difficult to gauge Congressional opinion. Those who do oppose U.S. aid to socialist enterprise often appear to monopolize the debate. Much of this section will deal with the views of this critical minority. Those who feel that internal economic patterns should only be of marginal importance generally remain silent. Certainly, with the climate of American public opinion largely critical of “socialism” per se, it would be politically foolish to speak in favor of U.S. money going to state—owned or operated projects.

The key fact about foreign aid to developing countries (as opposed to Marshall Plan assistance to Western Europe) is that it never was and probably never will be a popular program. Congressmen realize that it doesn’t win them votes, and may well be electorally costly. As former President Eisenhower once told the League of Women Voters: “... foreign aid doesn’t have any pressure groups in any Congressman’s district....”1 In crude terms, foreign aid has few identifiable voting constituents; foreign aid to avowedly socialist regimes has even fewer. Characteristic of the criticisms leveled at aid to socialist enterprise, for example, is the view of Senator Frank J. Lausche (Ohio) “that we play right

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1 Department of State Bulletin, XXXVI, No. 935 (May 27, 1957), p. 848.