

Swarthmore College

Works

Political Science Faculty Works

Political Science

2-1-1975

Review Of "Power And Wealth: The Political Economy Of International Power" By K. Knorr, "From Aid To Re-Colonization: Lessons Of A Failure" By T. Mende, And "The Charity Of Nations: The Political Economy Of Foreign Aid" By D. Wall

Raymond F. Hopkins

Swarthmore College, rhopkin1@swarthmore.edu

Follow this and additional works at: <https://works.swarthmore.edu/fac-poli-sci>



Part of the [Political Science Commons](#)

Let us know how access to these works benefits you

Recommended Citation

Raymond F. Hopkins. (1975). "Review Of "Power And Wealth: The Political Economy Of International Power" By K. Knorr, "From Aid To Re-Colonization: Lessons Of A Failure" By T. Mende, And "The Charity Of Nations: The Political Economy Of Foreign Aid" By D. Wall". *Journal Of Politics*. Volume 37, Issue 1. 287-290. DOI: 10.2307/2128903

<https://works.swarthmore.edu/fac-poli-sci/178>

This work is brought to you for free by Swarthmore College Libraries' Works. It has been accepted for inclusion in Political Science Faculty Works by an authorized administrator of Works. For more information, please contact myworks@swarthmore.edu.



Review

Author(s): Raymond F. Hopkins

Review by: Raymond F. Hopkins

Source: *The Journal of Politics*, Vol. 37, No. 1 (Feb., 1975), pp. 287-290

Published by: [The University of Chicago Press](#) on behalf of the [Southern Political Science Association](#)

Stable URL: <http://www.jstor.org/stable/2128903>

Accessed: 24-08-2015 18:34 UTC

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at <http://www.jstor.org/page/info/about/policies/terms.jsp>

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.



The University of Chicago Press and Southern Political Science Association are collaborating with JSTOR to digitize, preserve and extend access to *The Journal of Politics*.

<http://www.jstor.org>

Power and Wealth: The Political Economy of International Power.

By KLAUS KNORR. (New York: Basic Books, 1973. Pp. x, 224. \$7.95.)

From Aid to Re-Colonization: Lessons of a Failure. By TIBOR

MENDE. (New York: Pantheon Books, 1973. Pp. xxix, 317. \$10.00.)

The Charity of Nations: The Political Economy of Foreign Aid. By

DAVID WALL. (New York: Basic Books, 1973. Pp. vii, 181. \$7.95.)

Economics is assuming increasing importance in international affairs. The growth of the Common Market, the drive for "development" in the Third World, the breakdown of the Bretton Woods monetary system, and the energy crisis of 1974 are some of the recent economic phenomena with political causes and/or consequences. The three books under review here deal with elements of international political economy, particularly foreign aid, and are, therefore, particularly timely.

Beneficence and success are qualities often attributed to foreign aid. President Nixon's foreign assistance message to Congress in 1974 stated: "For more than twenty-five years America has generously provided foreign assistance to other nations, helping them to develop their economies. . . ." However, each of these volumes argues that foreign assistance has neither been a selfless act by the donor nor an unmitigated help to the recipient. Klaus Knorr's analytical volume locates aid as one economic weapon in the influence arsenal of a nation. Tibor Mende's essay describes the failure of meager and dependency-promoting aid programs to bring about development in southern hemisphere nations. There, paths to economic improvement cannot be comparable to those enjoyed earlier by nations of the northern hemisphere. David Wall, in the most narrowly focused book, details how aid programs work and with what motivations, benefits, and costs.

Knorr, in his book *Power and Wealth*, recapitulates and extends his previous work on military capability by reviewing the general bases of influence (for example, wealth, skill, and the like) among state actors and considering the manner in which military and economic power may be generated and used. While many of the distinctions and arguments Knorr makes are familiar from earlier works, his systematic consideration of economic and military tools

of influence provides a valuable compendium of propositions. Knorr sees value maximization as the motive for state behavior and critically assesses the rationality of aid and other sources of power in terms of the goals of a state. Unfortunately, policy implications are difficult to arrive at from this very general analysis since most claims are hypothetical rather than substantive. Moreover, little consideration is given to the role of multinational corporations or other nonnational or domestic actors who exercise control over the uses of wealth. Although theorists of transnational relations have argued that economic exchanges particularly highlight the role of such nonnational actors, Knorr does not modify his traditional states-as-actors approach. As a result the modes of economic influence he emphasizes are those that are overtly controlled by governments, such as trade restrictions, taxes, and intergovernmental assistance, and not those resulting from the growth of multinational enterprise.

Tibor Mende, Sorbonne professor and former UNCTAD official, offers us a grand treatise on aid, dependency and economic problems in the Third World. *From Aid to Recolonization* stylistically displays flair and candor. For instance, Mende writes, "Foreign aid is like an artichoke." Why? Because large portions of it are wasted exterior, while what is useful, when it is, is found at the heart of the enterprise. He peels off the useless outer "leaves" by pointing to the declining proportion of aid consisting of grants (rather than loans); the growing debt obligations of aid recipients such that from 5 to 150 percent of aid received may be needed to repay earlier debts; the effects of tying aid which often raises the costs of a project; and the negative bias effect on the use of domestic capital, caused when aid favors large, showy projects that have large import costs.

With all these pitfalls, aid can still be a crucial and beneficial device when it provides needed resources and does not supplant or replace self-help activities. Mende argues that poor, Third World countries must develop along a different path than northern hemisphere countries did. He questions the wisdom of calculating development by growth in gross national product and suggests that more specific and humane goals, such as adequate food and shelter for all, should be substituted as the targets of development. But such new development objectives must affect foreign aid and trade policies. "Any reorientation of development objectives intended to make them correspond to basic human needs inevitably involves a

fundamental re-thinking of prevailing concepts and policies" (p. 186).

In part 2 of his book, Mende argues that far more—not less—aid is needed. But he concludes this aid, in useful forms, is unlikely to be available. Hence, more important will be revisions in policies to encourage assistance, greater incentives for self-help, and export productivity in low-income countries. The best "palliatives and alternatives" offer hope not for creating standards of living comparable to those of the industrial states, but for ending the economic dependency and gross inequalities of poor states and sympathizers among the wealthier states. Moreover, such changes will not be easy to effect since they require altering the attitudes of national leaders in both rich and poor countries. Nevertheless, Mende hopes (naively, I believe) that the nonmaterial concerns of the younger generation and the clear failure of previous assumptions about development presages new development expectations and policies that will be relevant to insuring at least minimum decency for people in the Third World.

Less evangelical and more closely reasoned is David Wall's book, *The Charity of Nations*. Wall, an economist with experience in several international aid agencies, shares much of Mende's skepticism concerning the humanitarian motives and development efficacy of aid programs. He analyzes motives for aid by major national donors, particularly the United States, noting that interests of security and protection of commercial interests regularly underlie programs lauded with humanitarian rhetoric. Of course, domestic political support for aid programs arises from a number of considerations, including altruistic aims. Wall echoes Mende in criticizing assumptions about the developmental prospects of Third World states. Assistance frequently is based on false assumptions about need and consequence. In one interesting section, Wall carefully shows that models used by economists to calculate the "need for aid" are erroneous.

Wall concludes his study by analyzing the desirability of various aid arrangements—grants versus loans, project versus program aid, the imposition of controls or conditions, the provision of special liquidity assistance, and multinational versus bilateral agencies.

In general, the level and form of aid to secure influence (Knorr), greater equality (Mende), or efficient development is hard to specify. Surely present programs are inadequate. Knorr argues that

both military and economic power are in decline; Wall sees aid (a prominent form of economic influence) sufficient to remove poverty in the Third World as "incalculable by existing methods, but [it is] certainly beyond the capacity of the world economy to supply (p. 95)." Mende sees no hope of aid being adequate and without destructive self-interest requirements as Wall recommends. The trend in aid is downward and return flows in debt repayments are approaching the point at which they exceed new inflows of aid.

It may be that the declining role of foreign assistance, whether in gifts or easy credit, will itself be of major importance. After all, if aid from the rich to the poor proves inadequate or unavailable, the development of radical policies in domestic and international affairs by Third World states will be all the easier.

RAYMOND F. HOPKINS, *Swarthmore College*

Psychological Needs and Political Behavior: A Theory of Personality and Political Efficacy. By STANLEY ALLEN RENSHON. (New York: The Free Press, 1974. Pp. xiv, 300. \$10.95.)

In this book, Renshon creatively explores the relationship between psychological needs and political behavior. Drawing on research in several disciplines for evidence, he argues that each person has a desire to have some control over the persons and forces that have an impact on his life—to have control over one's physical and psychological life space. Political efficacy is viewed as having its origin in this need for personal control and is defined as "the belief that one has sufficient personal control over political processes to satisfy the need for control in relevant life areas" (p. 75). Renshon argues that political efficacy requires some degree of successful political participation and therefore may be viewed as a motivating factor in political participation rather than just a correlate of such activity. A person who views politics as affecting his life may participate politically in order to satisfy his need for personal control. The author explicitly points out that the need for personal control is only one of many possible sources of political participation.

In developing his theory of personality and political efficacy, Renshon makes use of a wide variety of theories and findings in