THE POLITICS OF ABUNDANCE: AMERICAN PHILANTHROPY AND THE POLITICAL ECONOMY OF FOOD IN THE TWENTIETH CENTURY

Elizabeth Berit Barrs

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THE POLITICS OF ABUNDANCE:
AMERICAN PHILANTHROPY AND THE POLITICAL ECONOMY OF FOOD
IN THE TWENTIETH CENTURY

By

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“The Politics of Abundance: American Philanthropy and the Political Economy of Food in the Twentieth Century” uses food aid as a lens to understand how philanthropy became a significant new force in the twentieth-century political economy, both in the US and in the projection of American power abroad. I argue that US-based international food philanthropy joined with the state and the full breadth of the American food industry to structure the political economy of food in the twentieth century and to export it globally, impacting how much of the world produces and consumes food. Voluntary agencies and foundations provided a gamut of international food aid from feeding programs to agricultural development. These philanthropic groups played a critical part in offloading American food surplus, stimulating markets, legitimizing processed foods, and exporting American food production methods overseas, all of which transformed the political economy of food globally over a relatively few short decades.

Food philanthropy accomplished this by engaging in and shaping the politics of the political economy of food at home and abroad. Through a highly politicized process to gain resources to feed the hungry abroad beginning after World War I, philanthropic groups became adept players in institutional, interest group, and interpersonal jockeying over influence in the food economy. These tax-subsidized organizations professionalized, marketed, networked, lobbied, and expanded in scale and scope to exert significant power over public policy. Through such political practices, food philanthropy forged itself into a geopolitical arm of American government and business. The state gained a new tool of statecraft that simultaneously supported US national security objectives, bolstered farm prices at home, and created new markets for American agribusiness abroad. In the 1950s and beyond, these politics became more complex as philanthropy, business, and the state engaged in vast experimentation over how these sectors of American power could best promote global food security and US interests.

Working at the nexus of the histories of philanthropy, public policy, capitalism, and international relations, this project brings philanthropy in as an organic actor and helps to delineate the extraordinary complexity of power relations in the modern political economy.
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# The Politics of Abundance: American Philanthropy and the Political Economy of Food in the Twentieth Century

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List of Abbreviations

ABCFM – American Board of Commissioners for Foreign Missions
ACASR – American Committee for Armenian and Syrian Relief
ACVAFS – American Committee of Voluntary Agencies for Foreign Service
ACRNE – American Committee for Relief in the Near East
ACVFA – Advisory Committee on Voluntary Foreign Aid
AFBF – American Farm Bureau Federation
AFSC – American Friends Service Committee
AIA – American International Association for Economic and Social Development
ARA – American Relief Administration
BAE – Bureau of Agricultural Economics
CARE – Cooperative for American Remittances to Europe; after 1953, the Cooperative for American Remittances Everywhere; after 1993, the Cooperative for Assistance and Relief Everywhere
CCC – Commodity Credit Corporation
CRB – Commission for Relief in Belgium
CPI – Committee for Public Information
CPRC – Corn Products Refining Corporation
CRS – Catholic Relief Services
CWS – Church World Service
DPP – Division of Pictorial Publicity
ECA – Economic Cooperation Administration
FAO – Food and Agriculture Organization
FCNL – Friends Committee on National Legislation
FOA – Foreign Operations Administration
FSA – Farm Security Administration
GEB – General Education Board
IBEC – International Basic Economy Corporation
ICA – International Cooperation Administration
IDAB – International Development Advisory Board
IIAA – Institute of Inter-American Affairs
JDC – American Jewish Joint Distribution Committee
LMM – Laymen’s Missionary Movement
LWR – Lutheran World Relief
MSA – Mutual Security Agency
NCC-USA – National Council of the Churches of Christ in the USA
NCWC-WRS – National Catholic Welfare Conference-War Relief Services (renamed Catholic Relief Services in 1955)
NEF – Near East Foundation
Introduction

“There is no question but America has a desire to help improve the world—out of her abundance she will give gladly.”¹ Near East Relief Overseas Director Barclay Acheson (1926)

At the end of World War I, the philanthropic group Near East Relief (NER) deployed its workers to the Near East with the abundance of American foods and other aid for starving victims of the Armenian genocide.² To gain the imprimatur of the US government, it petitioned and won incorporation by a special act of Congress in August 1919, only the second American humanitarian agency after the Red Cross to receive a congressional charter.³ But considering the popularity of the group’s work during the war, the bill provoked surprisingly contentious debate in the House. The author of the bill, Andrew Jackson Montague (D-VA), attested that NER was a “clean charity in origin and purpose,” and that the federal government’s “dignity of approval” would help NER “in facilitating their negotiations, both in governmental and business relations” in the Near East. Senator David Walsh (D-MA) asked why the articles of incorporation stated that NER’s purpose was to promote “‘the industrial welfare of those who have been rendered destitute.’ Does that mean engage in business over there?” George Graham (R-PA) answered, “Not at all—[only] by enabling people to become self-supporting over there, which is perfectly legitimate, and not [as] a corporation engaging in trade.”⁴

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¹ Barclay Acheson Diary, June 7, 1926, page 39, folder 25, box 3, series 12, Barclay Acheson Papers, RG 1, FA 406, NEF Records, Rockefeller Archives Center (hereafter cited as RAC).
² The relief agency was founded as the American Committee for Armenian and Syrian Relief (ACASR) in 1915, then renamed itself the American Committee for Relief in the Near East (ACRNE) in 1918. It became Near East Relief (NER) with a federal charter in 1919. In 1930, Near East Foundation (NEF) incorporated under a state charter with a new emphasis on agricultural development.
But several congressmen were still skeptical. Louis Cramton (R-MI) voiced strong reservations about granting such power to an already popular philanthropy operating abroad:

We should be interested in determining whether some gentlemen are securing here a charter that even if they execute it properly in years to come may grow to be a gigantic corporation, with millions of wealth in its hands, which might be used for sinister purposes in this country. . . . I appeal to this House not to be carried away by their natural sympathy for charity . . . but instead they should look at this as a hard business proposition.⁵

Cramton and others went on to question the potential power that philanthropic groups operating as government-backed corporations might accrue overseas as well as at home. Might they seek “commercial advantages” and would foreign entities perceive that these philanthropies represented the official interests of the US government?

Fifty-five years later, US Secretary of State Henry Kissinger urged the United Nations (UN) to convene an international conference to deal with threats to world food security in the face of droughts in Africa and Asia, the lowest cereal stocks in decades, and rising food prices globally. Delegates from 130 countries, 47 UN agencies, and over 300 philanthropic nongovernmental organizations (NGOs) attended the World Food Conference in 1974.⁶ US congressman and conference delegate Larry Winn (R-KS) praised the vital work of the 75 American NGOs who joined together to create the World Hunger Action Coalition that acted as bureaucratic support staff and liaison for the US delegation. The Coalition included the major food philanthropic voluntary agencies, such as the Cooperative for Assistance and Relief Everywhere (CARE), Catholic Relief Services (CRS), and Lutheran World Relief (LWR), which had been lobbying Congress to enact policies to increase dwindling American surplus food

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⁵ Ibid., H3012-3013.
production. Winn highlighted their public campaigns in the US to build awareness and their hallway lobbying, noting that “even though they were among those putting more pressure on the United States, they were our own citizens.” Head of the US delegation Ambassador Edwin Martin described holding over 50 meetings with the American NGOs in the eight months before the conference. The delegation gave the Coalition chairman working space in the US embassy in Rome to “help formulate the US position for the Conference.” Martin credited the Coalition with ensuring that US positions were informed by NGO expertise and through their intense mediation with delegations from myriad agencies and countries. The result was that many of the NGO positions were incorporated into the adopted resolutions.

Their purposes may not have grown into the “sinister” ones that Representative Cramton feared back in 1919, but by the early 1970s, US-based international food philanthropy had clearly grown to become a significant political-economic power player in the US and on the world stage. Before WWI, philanthropy to feed the hungry overseas was still a relatively minor phenomenon, with relief organizations largely ad hoc extensions of religious or ethnic groups.

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A mere half century later, food philanthropy comprised corporatized voluntary agencies and wealthy foundations providing a gamut of international food aid from feeding programs to agricultural development. By the 1970s there were approximately 178 American voluntary agencies operating specifically in food aid and spearheading a rapidly expanding nonprofit industry addressing all manner of issues.10 Observers by the 1970s, most notably the Filer Commission, declared that philanthropy writ large occupied its own “sector” in the political economy, variously dubbed the nonprofit, third, independent, or voluntary sector.11 By 1977 there were 790,000 tax-exempt charitable organizations in the US operating in every facet of life.12 By the end of the century, the nonprofit sector spent more as a percentage of US GDP than did the Pentagon and employed over 12 percent of private-sector workers.13 The new sector labels situated philanthropy firmly within the political economy, a third major sphere of activity together with the state and business—and food philanthropy was a pioneering driver of that activity.

As Congressman Cramton had predicted in 1919, NER’s federal incorporation foreshadowed how enmeshed food philanthropy would become with the US state’s political-economic interests abroad. NER led the way among relief agencies in using food surplus to feed Armenian orphans in the Near East, and other agencies soon followed during WWII.14 When President Harry Truman announced his bold new Point Four program in 1949 to use American agricultural know-how to remake poor areas of the world, the state began using these groups’ expertise and American postwar food abundance to promote US interests in the Cold War. The share of federal funding in voluntary agency revenue averaged 23 percent from 1950 to 1954, growing to 58 percent from 1955 to 1966.15 Of the approximately $290 million in surplus food sent overseas in 1973, more than $170 million was funneled through voluntary agencies. Between 1962 and 1970, the US spent some $125 billion on food aid.16 Offloading food surplus became critical to the domestic food economy. Between 1954 and 1969, surplus food exports accounted for an average of 23 percent of total US agricultural exports, with some years reaching higher than 30 percent.17

At its heart this dissertation is about American abundance and the sweeping transformations in the political economy that evolved to manage it in the twentieth century.

14 Herbert Hoover’s Commission for Relief in Belgium (CRB), the American Relief Administration (ARA), and American Red Cross sent huge amounts of food to Europe with significant federal support, but NER pioneered working with farmers and politicians after the war when food surplus became a major issue.

Other groups, including the ARA, American Friends Service Committee (AFSC), YMCA, YWCA, and Red Cross also used American food to alleviate famine in Russia during the early 1920s.


Plentiful food and the technology to produce it developed through an inseparable political-economic system in which public policy bolstered the food economy, although the abundance was seldom equally shared. Beginning in the nineteenth century, to feed the engine of American industrial growth and the bellies of its workers, industrialists and politicians pushed for cheaper food through increased production. American scientific agriculture advanced rapidly after the Civil War through research at state-supported land-grant colleges and agricultural experiment stations. Agribusiness harnessed their research to produce better seeds, fertilizers, pesticides, and mechanization, and the US Department of Agriculture (USDA) county agent system convinced farmers to adopt these innovations. With WWI, agricultural progress married with huge new demands for food overseas, and Herbert Hoover’s US Food Administration convinced American farmers to substantially increase production. By war’s end, the American food industry, with significant state support, created a great deal of excess—in food surplus, in agricultural technology, and even in the calories that began to infuse processed foods.¹⁸

Thereafter, American food abundance became a significant political-economic problem. Because of the huge postwar agricultural surpluses, farm prices plummeted and many farmers began to lose their livelihoods. Yet pressure from business and the American banking system to remake the family farm with industrial efficiency only accelerated through the following

decades. Agribusiness technology continued to improve food production. American politicians grappled with myriad proposals in the 1920s and 30s to support farmers and the food industry without crippling the production that kept food prices low for average Americans. For the rest of the century, managing abundance and balancing the needs of consumers versus producers was the primary challenge to the US political economy of food and a significant political issue for the state. How could the food industry produce abundant cheap food to support an industrializing economy while ensuring farmers still earned a living?¹⁹

Philanthropic groups were quick to identify a moral imperative in using American abundance to feed the starving and destitute overseas, stepping in to do good abroad while supporting the food economy at home. Food philanthropy also recognized symbiotic interests with the US state and food industries in creating new markets for American food and agribusiness products and eventually how full stomachs could stabilize foreign societies in the Cold War struggle for American influence. Food and philanthropic abundance came together to transform the political-economic landscape through the rest of the century.

Modern philanthropy too was in essence a product of the abundance created by the American political economy and its unevenly distributed excesses—in wealth, in labor and time, in commodities and goods, and in expertise. Philanthropy grew in part to serve as conduits for the surplus of these resources as some Americans sought to redress the imbalances. Gilded Age

and Progressive Era industrialists channeled their disposable wealth into philanthropy. Elites and the rising middle class increasingly donated their surplus labor, time, or money to rectify society’s ills. And as it had in shaping the modern political economy of food, the state stepped in to support Americans in giving their excess to philanthropy. With enactment of the charitable deduction to the federal income tax in 1917 and federal tax exemptions for charities even earlier, US tax law codified the legal place of philanthropy as an important element of its social system and its political economy.

This dissertation uses food aid as a lens for understanding how philanthropy became a significant new force in the twentieth century political economy, both in the US and in the projection of American power abroad. I argue that US-based international food philanthropy joined with the state and the full breadth of the American food industry to structure the political economy of food in the twentieth century and to export it globally, impacting how much of the world produces and consumes food. Over time, food philanthropy became a vital part of the food economy at home and helped to deploy its food system abroad, playing a critical part in

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offloading food surplus, stimulating markets, and exporting American methods for producing food overseas, as well as helping to legitimate processed foods, all of which transformed the political economy of food globally over a relatively few short decades.

Food philanthropy accomplished this by engaging in and shaping the *politics* of the political economy of food at home and abroad. The history of these organizations contradicts any popular moral imagining that philanthropy somehow operated above or outside the power relations of the state, business, and myriad other players involved in the political economy of food. First, through a highly politicized process beginning early in the twentieth century, philanthropic groups in fact became adept players in institutional, interest group, and interpersonal jockeying over influence in the food economy. Adopting many of the business methods of their for-profit counterparts, these organizations professionalized, marketed, networked, lobbied, and expanded in scale and scope to exert significant power over public policy in order to support their own humanitarian agendas. Second, through such political practices, voluntary agencies and philanthropic foundations forged themselves into a geopolitical arm of the American state and of business. Food philanthropy offered to expand state capacity through a humanitarian face of American empire. The state gained a new tool of statecraft that simultaneously supported US national security objectives, bolstered farm prices at home, and created new markets for American agribusiness across the world. In the 1950s and beyond, these politics only became more complex as philanthropy, business, and the state engaged in vast experimentation over how these sectors of American power could best promote global food security and US interests.

Illuminating the political and economic essence of food philanthropy’s work in no way denigrates the achievements of these organizations in feeding the hungry and the poor. They
influenced public policy to gain resources in order to help people and, while serving the interests of the state and business, they also served as a geopolitical arm of average Americans’ benevolent giving. This history, however, offers an important perspective for understanding how byzantine and often opaque the politics of the political economy of food became in the course of the twentieth century domestically and in its relationship with American power. Working at the nexus of the histories of philanthropy, public policy, capitalism, and international relations, this project helps to delineate the extraordinary complexity of power relations in the modern political economy.

First, philanthropic groups sought influence within the American political economy of food in order to garner resources, which over time gave them significant power over public policy. With a congressional charter conferring added legitimacy, NER pioneered national philanthropic marketing and established a vast network among all levels of state, industry, and civil society. The plight of starving Armenian children galvanized the nation in the 1920s which gained for NER monetary and food donations along with free advertising. Its work acclimated Washington and food industry interests to viewing philanthropy as a viable relief valve for offloading food surplus and spurring new markets overseas. NER set a precedent for close philanthropic networking with farm and food industry lobbies. By feeding its orphans many new American processed foods, NER associated these products with good health which arguably contributed to public policy revisions of food labeling standards in 1930. But the congressional debates over its incorporation also show that growing philanthropic power in the American political economy was not uncontroversial.

The Rockefeller’s General Education Board (GEB), a foundation established in 1903, set an even earlier precedent domestically for wealthy family philanthropies by working extensively with country agents and farm interests to spread American scientific agricultural techniques in the US.
After WWII, the extent to which voluntary agencies sought influence over public policy through political engagement only increased. Groups active during the war such as CARE, the American Friends Service Committee (AFSC), the National Catholic Welfare Conference (NCWC), and others joined together in a form of philanthropic trade associationalism by creating the American Council of Voluntary Agencies for Foreign Service (ACVAFS) in order to exert collective influence in Washington and with farm and food industry lobbies. Launching wholeheartedly into public policy advocacy, ACVAFS successfully convinced the federal government to use voluntary agencies’ deep experience and foreign ties to serve as the primary face of Point Four programs overseas after 1950. New legislation allowed them to carry some surplus foods abroad, to have freight charges reimbursed, and to receive agricultural development contracts to expand their overseas programs. This political lobbying further resulted in the landmark legislation of Public Law 480 (PL 480) in 1954, enshrining in agricultural public policy that voluntary agencies could use surplus foods abroad to feed people and to pay for increased agricultural development. This critical milestone in the growth of food philanthropy was not politically uncontested, as many commercial and political interests instead lobbied for American business or the new UN to become the primary conduit for exporting food surplus and agricultural development abroad.

By examining the politics behind food philanthropy’s efforts to influence the political economy of food, this dissertation contends with the intricacies of associational power relations in public policy formation and ties it to political-economic development. Scholars have long ago made the associational turn in bringing the role of non-state actors into considerations of the complicated process of American state building and the evolution of its political economy.23

Intervening in the state-business binary prevalent in treatments of associative power in American political development, this history demonstrates that the twentieth-century political economy of food cannot be fully understood without incorporating food philanthropy.\textsuperscript{24} It further contributes analysis of the convoluted nature and an expanded understanding of the term “politics” behind public policy formation in this sector of the political economy.\textsuperscript{25} In learning from global studies of late-developing nations, this dissertation follows scholars urging a fresh lens in deconstructing received dichotomies between state policy and market development by contending with the messy trial-and-error, politically contested, and complicated nature of America’s own development. Stephan Link and Noam Maggor argue that states “cajoled, nudged and pushed private interests in economically desired directions.”\textsuperscript{26} The history related in these pages complicates and enriches that paradigm by demonstrating that food philanthropy in fact cajoled,


\textsuperscript{25} Noam Maggor in \textit{Brahmin Capitalism: Frontiers of Wealth and Populism in America’s First Gilded Age} (Cambridge: Harvard University Press, 2017) particularly stresses the diversity of players in expanding the understanding of “politics” in America’s own political-economic development and the “permeability and malleability of political boundaries,” x.

\textsuperscript{26} Stephan Link and Noam Maggor argue for the concept of the “politics of institutional wrangling” in “The United States as a Developing Nation: Revisiting the Peculiarities of American History,” \textit{Past & Present} 246, no. 1 (2020): 297-298.
nudged, and pushed the state and business in its desired humanitarian directions. As seen during the World Food Conference, the result was a new public policy regime in the food economy by the 1970s that integrated philanthropic groups fully into key public policy processes with wide-reaching political-economic impacts domestically and globally.

This interdependency of the state, business, and philanthropy in the political economy of food renders meaningless any classic separation of public and private and further urges a deeper consideration of the nonprofit versus for-profit binary. In his comprehensive history of political economy, Thomas Piketty writes that philanthropy “is in fact a novel form of ownership, intermediate between purely private and strictly public ownership.”27 Domestic and global food political economies developed through the tripartite synergy of corporate philanthropy working in entangled and shifting relationships with the state and corporate business.28 Legal historians particularly have noted how porous and shifting these boundaries have been in what were long considered separate spheres.29 This dissertation joins scholarship widening the field to consider creative approaches and new actors by teasing out these entanglements, breaking down these dichotomies, and recreating that intricate interplay in the political economy of food during the transformative twentieth century.30

This political-economic lens also allows us to see how food philanthropy aided the profitable functioning of the capitalistic US food economy by offloading surplus, promoting the nascent processed foods industry, and exporting the US food system, all of which created demands for US agribusiness and other products abroad. Philanthropy inserted itself into the politics of the consumer economy, helping support cheap food to bolster twentieth-century liberalism.\(^{31}\) Historians have convincingly shown that the American “free market” in fact developed due to significant state support through law, capital, military force, and, as I argue, the work of philanthropic corporations.\(^{32}\) Historian Olivier Zunz argues that because philanthropy operated at the intersection of so many institutions, it evolved to play “a big role in capitalism’s reshuffling of its own resources.”\(^{33}\) But historical scholarship has largely failed to investigate these intersections, instead artificially partitioning off the nonprofit sector as somehow outside capitalism.\(^{34}\) Some recent scholarship has followed Karl Polyani in situating “capitalist power relations generally within conditioning structures of law, policies and institutions, social norms, practices, and resources.”\(^{35}\) This project adds philanthropy to the list of players but uses the

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\(^{33}\) Olivier Zunz, “Why is the History of Philanthropy Not a Part of American History?” 60.


analytical lens of political economy, enlisting the older methodological approach characterized by Paul Kramer as the “co-production of political power and economic relations, under capitalism.”  

It further heeds the call for historians to illuminate how particular political economies were constituted over time, with that of food largely neglected or siloed as agricultural history. In so doing, this work advances scholarship situating the construction of the modern American state in its agricultural heartland.

Training a lens on philanthropy’s role in the politics of the political economy also allows for better understanding the historical evolution and nexus of how Americans financed the public interest through both charitable donations and taxation. In the twentieth century, these two avenues intersected in tax law to create the nonprofit business, which was—as this project shows—politically shaped by public policy, capitalistic practices, people’s moral imaginations, and philanthropy offering itself as a complementary conduit of political and economic power.


of food at home and abroad. Yet tax exemption rendered philanthropy inseparable from the public interest. Funds that would otherwise become public revenue were leveraged at will by philanthropy, evoking criticism that taxpayers subsidized the public interest as narrowly decided by do-gooders and rich people. Through their unique access and influence, philanthropic organizations offered collaborative or rival channels of public influence from the state by funding programs or directing public attention that supported or undercut public policy. In the case of food philanthropy, it also controversially channeled public resources abroad. The history of the philanthropic groups analyzed in the following pages illuminate just how politically influential these tax-subsidized groups became. But in donating to philanthropy, many American citizens also took advantage of tax deductions for their chosen donations in more democratic expressions of the public interest, in essence a popular formulation of public policy.40

Yet historians have largely ceded the examination of philanthropy in the democratic exercise of the public interest to social scientists, so that its full grasp is missing historical research and methodologies.41 Social science scholarship has tended to investigate the political economy of the nonprofit sector rather than its impacts in the political economy.42 It considers

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42 See Brian E. Dollery and Joe L. Wallis, The Political Economy of the Voluntary Sector: A Reappraisal of the Comparative Institutional Advantage of Voluntary Organizations (Cheltenham, UK: Edward Elgar
what philanthropy \textit{is} rather than what it has \textit{done}. A few historians have examined philanthropy’s evolution, but the field has been slow to inform how it operated within the political economy.\textsuperscript{43} Therefore, philanthropy as a nonprofit industry seems to have just appeared in the early 1970s as a fully formed third sector of the political economy.\textsuperscript{44} One scholar of nonprofits has argued that “the interpenetration of sectors is an established fact. The epistemological problem is to devise methods that will enable us to grasp its extent and its significance.”\textsuperscript{45} This dissertation illuminates how food philanthropy was not simply birthed fully formed in 1974 at the World Food Conference, but instead nurtured its own growth through years of politicized activity beginning well before the sector’s flourishing in the second half of the twentieth century.

The second part of this dissertation’s main argument is that, through this process of engaging with and gaining significant influence in the politics of the political economy, food philanthropy forged itself into a geopolitical arm of the US state and American business. Food philanthropy expanded state capacity and tools of statecraft by offering itself as a humanitarian


\textsuperscript{44} For example, see Daniel Bell, \textit{The Coming of the Post-Industrial Society} (New York: Basic Books, 1976), 147.

\textsuperscript{45} Hall, \textit{Inventing the Nonprofit Sector}, 105-106.
face of American empire while helping the US achieve its national security and global economic objectives. Voluntary agencies and philanthropic foundations largely drove this process while engaging in significant experimentation, collaboration, and contestation over how to promote food security abroad. In 1930, when NER leaders reincorporated as the Near East Foundation (NEF) with a new mission to restructure agricultural economies in the region, it also plunged into the region’s politics in a form of philanthropic statecraft. Its agricultural experts exported decades of American scientific agriculture to the foreign laboratory of the Near East. Its rural community development projects created a demand for American seeds, fertilizers, and mechanization, as well as home economics goods to improve rural life. At the same time that New Deal leaders grappled with the rural impacts of uneven agricultural abundance in the US, NEF believed it could remake political economies of food to improve rural life abroad. In contrast to earlier missionary agricultural activity, NEF partnered its rural development projects with host-nation governments, embedding the programs permanently into new foreign bureaucracies. As a pioneering philanthropic diplomat, it spurred expansion of foreign state capacities into managing their own food production and showed the US government that philanthropy could be a major lever of power with foreign states. When Truman made agricultural development overseas a US foreign policy priority in 1949, he cited NEF as an inspiration and a model.

When ACVAFS pushed the administration and Congress to use voluntary agencies’ deep experience and foreign ties to serve as the primary face of Point Four programs, it argued that its agencies already had the political savvy to navigate foreign politics. The new Point Four agency, the Technical Cooperation Administration (TCA), turned to NEF and ACVAFS for advice on setting up and operating projects. Yet both the state and philanthropic organizations grappled
with just how to remake global agriculture in the American image. Nelson Rockefeller’s enthusiastic experimentation in Latin America offered itself as one solution and presents an intriguing case study for how complex the politics of the state-business-philanthropic triumvirate were in restructuring food political economies through the 1950s and 1960s. Rockefeller’s philanthropic American International Association for Economic and Social Development (AIA) exported the American political economy of food to Brazil and Venezuela modeled on NEF’s rural development work. But Rockefeller went further in experimenting with what he called “creative capitalism,” marrying philanthropic agricultural development and research under AIA with commercial ventures under his for-profit International Basic Economy Corporation (IBEC). The operations of the AIA and IBEC, along with their many spin-off corporations, increasingly blurred any lines between nonprofit and for-profit efforts in structuring the modern political economy of food. But these experiments in food development also showed the limitations of private funding, as AIA also eventually turned to US state support through Point Four contracts.

By the 1960s, food philanthropy extended US state capacity and tools of statecraft in supporting its foreign policy objectives to remake world agriculture, while obscuring the American state and commercial power behind it. In competition with the planned economic models of communist states, the US could hold up as superior American philanthropic and commercial success in creating food abundance. Because philanthropy was ostensibly non-governmental and nonprofit, the US state and American business could side-step accusations of overt imperialism or commercialism in exporting their model of the capitalistic political economy of food. Because philanthropy occupied a special place in people’s moral imagination, it had a unique ability to engender trust and translate that into the political, economic, and social capital that could be used to gain access and influence. This historical phenomenon is critical for
understanding the nature of philanthropy’s political power. Finally, as evidenced during the 1974 World Food Conference, with the growth of UN and regional political organizations, philanthropic groups also engaged in transnational politics to work with and weave those new entities into the complex fabric of American statecraft and a global political economy of food.

As the US emerged from WWII ready “to impress its vision of a global political economy upon the world,” it did so by partnering with philanthropic groups in an associational foreign relations system to carry out its strategic objectives. This multi-dimensional associationalism operated across any artificial boundaries of public-private, nonprofit-commercial, and national-transnational and had its roots well before the end of WWII. Echoing what historian Stephen Porter dubs “hybrid governance,” examination of food philanthropy weaves the history of American political economy and its politics into scholarship on the nature of American power abroad and the field known as US in the World. This “transnational turn” in history breaks down the often siloed paradigms of domestic history and diplomatic history, building on the pioneering work of earlier diplomatic historians. Much of this scholarship also grapples with whether and how to understand American power in the world as unique—or not so unique—

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46 Link and Maggor, “The United States as a Developing Nation,” 269.
47 See again Porter, Benevolent Empire, 3. See Frank Costigliola and Michael J. Hogan, eds., America in the World: The Historiography of American Foreign Relations since 1941 (New York: Cambridge University Press, 2014), 3-7. See also Robert P. Saldin calling for political scientists to understand how domestic and international factors relate in War, the American State, and Politics Since 1898 (New York: Cambridge University Press, 2011). This dissertation also shows how humanitarian crises associated with war catalyzed and accelerated changes in public policy and political development.
manifestations of empire, including humanitarian empire.\textsuperscript{49} My work joins recent scholarship analyzing how non-traditional actors and conduits operated as in a “murky middle zone” between “hard” and “soft” power and in perceptions of a non-imperial deployment of power, which also aptly describes food philanthropy.\textsuperscript{50}

Echoing Congressman Cramton’s early warning to see NER’s incorporation as a “hard business proposal,” American philanthropy to feed the world’s hungry created concrete impacts on food economies and politics globally. There is no discounting the life-saving benefits that resulted from vastly increasing food production for the world’s exploding population, despite huge inequities in its distribution. The US took on the mantle of “humanitarian superpower” as both the state and average Americans demonstrated the ability and will to feed desperate foreign peoples, thus forging an image that the US would come to the aid of those in need.\textsuperscript{51} But in exporting American industrial agriculture abroad, philanthropy supported the state and food industries in transforming agricultural societies and spurring industrialization and urbanization across the globe.\textsuperscript{52} Attendant on increasing food production was remaking societies as capitalist,


\textsuperscript{50} See Megan Black, \textit{The Global Interior: Mineral Frontiers and American Power} (Cambridge, MA: Harvard University Press, 2018), 119; Porter, \textit{Benevolent Empire}.

\textsuperscript{51} Kaete O’Connell, “Breadlines and Banana Bread: Rethinking Our Relationship with Food in the Age of Covid-19,” \textit{Diplomatic History} 45, no. 3 (June 2021): 556. For a full exposition of this argument, see again Porter, \textit{Benevolent Empire}.

democratic, and centered on the middle-class gendered home. Philanthropy’s noble goals in this transformation have in many ways shrouded the profound economic and political impacts, as well as social and cultural upheavals, introduced through this humanitarian trojan horse. It has also obscured the story of how many philanthropies became large and sophisticated nonprofit corporations using the same organizational, financial, and marketing tools characterizing business.

A critical argument undergirding this historical analysis is that creation of the modern political economy of food was contingent on philanthropic groups making themselves active agents of change in pursuit of symbiotic partnerships with the state and business in order to do good in the world. This finding both enriches and intervenes in recent scholarship describing American political development and its deployment of power abroad as a “contract state” in which the US federal government used philanthropy as a tool for both diffusing power and expanding it.53 Scrutiny of food philanthropy reveals that such groups were not simply convenient Sherpas of food aid. Instead, they insisted on becoming partners with the state and business in order to pursue their own agendas in expanding their humanitarian reach. Similarly, otherwise excellent recent scholarship on the history of US food aid makes the state the main driver, with philanthropic groups receiving superficial treatment as merely the tools of state

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Historians of development abroad in the twentieth century have likewise primarily described food aid as projects conducted by the US state, UN agencies, or the major foundations, eliding the pioneering role of voluntary agencies. Development scholarship has also tended to argue theories of technological rationalization and modernization to the neglect of what actually happened in history, leaving historical scholarship with “little to say about context, motives, or indeed, history.” This dissertation underscores the agency of food philanthropic organizations by contributing extensive archival research to reveal the intricacies of their political activities in transforming the US and global political economies of food.

The politics involved in philanthropy expanding as an industry, influencing public policy, and promoting US foreign policy objectives was largely collaborative but also at times contested. NER, NEF, ACVAFS agencies, and AIA all experienced various types of internal and external conflicts and rivalries. Voluntary agencies under Point Four were often caught between their humanitarian goals, their increasing dependence on federal resources, and calculations involved

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in pushing back on the US government’s Cold War security regime. These tensions shaped how food philanthropy navigated the politics of restructuring political economies. ACVAFS’s voluntary agencies often protested that the US sent food aid based on national security priorities rather than humanitarian need. Chafing at intrusive questions about their operations and personnel, AFSC and CARE both pulled out of projects with the US government. With the maturation of international bodies, food philanthropy too became increasingly internationalized.

As the ecological, social, cultural, and economic impacts of industrializing agriculture emerged by the 1960s, philanthropic influence on the political economies of food globally became shaped by international versus national agendas and by ecological versus industrial approaches. Nonprofit groups had to carefully navigate these rocky shoals in order to garner the resources on which they depended from governmental contracts and public opinion, while retaining fidelity to their own mandates of improving lives.

Finally, this history demonstrates how food philanthropy weaved between domestic and international contexts and impacts in the politics of restructuring political economies of food. In the 1930s, NEF’s programs paralleled New Deal community development programs which were simultaneously trying to improve American rural life during the Depression. The heretofore understudied work of NEF thus offers fresh perspectives to scholarship that considers how US postwar foreign policy spread New Deal-style liberal programs and ideas internationally.57 The

history of NEF, modeling the philanthropic General Education Board’s (GEB’s) efforts to improve rural life in the American South a generation before, reveals how Point Four agricultural programs drew on a temporally longer tradition and more complex set of actors before the Cold War.\(^\text{58}\) It also contributes to recent scholarship on late New Deal agrarian programs, led by visionaries such as USDA Undersecretary Milburn L. Wilson, who drew insights from NEF for USDA’s reform programs after 1938 to help poor American farmers.\(^\text{59}\) Several USDA leaders who promoted New Deal rural community development during a brief window in the late 1930s took their vision into overseas development work when stymied by a loss of congressional support once the war started. This dissertation traces—across time and across oceans—the interweaving of domestic and international stimuli for restructuring food political economies, with philanthropy playing a leading role in all stages.\(^\text{60}\)

This project thus brings philanthropy in as an organic actor within multiple historiographical disciplines. Scholarship on philanthropy has weaved its way in and around each of these sub-fields, and my work draws these threads tighter in examining food philanthropy. It also fills major historiographical gaps by analyzing the important domestic and transnational


\(^{58}\) Olsson in *Agrarian Crossings* further ties GEB’s work to the Green Revolution.


political-economic impacts resulting from the efforts of several pioneering philanthropies, considering the full historical context of their work.61

Concentrating on certain key but understudied aspects of food philanthropy in the twentieth century, each chapter serves as a case study moving chronologically from WWI to the 1960s. Chapter One begins by examining NER and its pioneering work after WWI with the state at all levels, farm interests, and processed foods industries. It helped bolster and structure the political economy of food at a time when agricultural surplus was crippling farm prices and as the nascent processed foods industry struggled to gain trust from American consumers. Its history highlights the groundbreaking evolution of philanthropic marketing, particularly through its immensely popular Golden Rule Sunday fundraising campaign from 1923 to 1928. NER endorsements contributed to the USDA changing its labeling restrictions on corn syrup in

processed foods in 1930, which had been a contentious political issue for decades. This group pioneered the reach of philanthropy with food industries and into the halls of state power.

Chapter Two turns to agricultural development and NEF’s civilizing mission to bring American-style rationalized agriculture to the Near East. NEF gained unique access and influence with foreign powers which both inspired Truman’s Point Four postwar development boom and made inroads for the US government with several developing nations. NEF programs also paralleled late New Deal agrarian reform initiatives in the US which made rural community development the cornerstone of public policy to better transform American agricultural socio-economics.

Chapter Three illuminates the political roles of voluntary agencies in the growth of the food aid industry after WWII. Following the explosion of relief organizations during the war, the major voluntary agencies sought collective action through trade associationalism under ACVAFS and through cooperatives such as CARE in order to manage competition, police their own, and exert concerted political power on the state. They convinced the state to use them to carry out Point Four agricultural development programs abroad. Promoting Section 416 of the Agricultural Act of 1949 and PL 480 in 1954, they partnered with farm lobbies to persuade the government to offload through voluntary agencies the farm surpluses that threatened farm votes and the US economy. The state, food lobbies, and food philanthropy identified intersecting interests in using American abundance to meet global food scarcity—thus expanding philanthropic resources, creating new markets, and winning hearts, minds, and bellies for the American way. But these rapid developments also resulted in significant tensions within an increasingly competitive nonprofit industry and between the voluntary agencies and the state.
Chapter Four offers a case study of the entangled politics and experimental methods involved in agricultural development initiatives to export the American political economy of food abroad. After WWII, Nelson Rockefeller’s vision of “creative capitalism” embedded agricultural development work into a convoluted system of nonprofit and for-profit corporations engaged in trial-and-error food projects in Latin America. Much like NEF’s efforts, AIA, IBEC, and their offshoot corporations made inroads into the political economies of Latin America as a geopolitical arm of American power, but their history also illuminates how overlapping and blurred the boundaries of philanthropic, commercial, and state development work became during the period. Rockefeller’s enterprises were funded by US oil companies, family wealth, and host-nation contributions, and they worked extensively with a web of commercial and nonprofit research organizations. But philanthropic and commercial funding proved insufficient, and AIA eventually turned to Point Four contracts to help support their projects. This history of the AIA, IBEC, and their associated corporations offers an understudied chapter in the history of the politics involved as philanthropic actors, working with the state and business, experimented with meshing their efforts to restructure the food political economies of Latin America.

The dissertation concludes by reviewing how food philanthropy has evolved over the period with attendant impacts on the political economy of food and in the growth of American power. The combination of private capital and philanthropic efforts to enhance food security formed an early version of what today is dubbed “philanthrocapitalism.” Combined with state power, this tripartite effort restructured both domestic and global food political economies and made philanthropy inseparable from its functioning. And it spurred philanthropy globally,

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helping to create thousands of nonprofits operating in food and numerous other fields. Thus, one legacy of American power abroad has also been to embed philanthropy into politics globally, expanding and complicating political actors and issues, much as it had evolved in the US. Somewhat ironically, many indigenous and international nonprofits began to push back on industrialized food production by the 1990s. The food sovereignty movement today steeps itself in local and global politics to undo the modern political economy of food that philanthropy historically took so active a part in creating.

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Terminology regarding philanthropic organizations has changed over the course of the last century, so I endeavor to use terms common to the historical periods being discussed. I refer to “food philanthropy” as an umbrella term for both food relief and agricultural development conducted by both voluntary agencies and philanthropic foundations throughout the period. I use the term “relief agencies” for efforts before WWII and the term “voluntary agencies” after WWII for American groups conducting both relief and development overseas. Groups referred to as “voluntary” relied largely on voluntary giving or labor by average Americans. In contrast, philanthropic foundations typically relied on the wealth of a family or a few donors. Since 1954, all of these organizations are recognized as “nonprofits” falling under the US tax category 501(c)3 and having charitable, scientific, or educational purposes, although the term nonprofits did not become common until the 1960s. This choice then excludes many

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64 See Davies, NGOs, 3.
65 One finds the term nonprofit or non-profit before the 1960s, but agencies working in food aid were still largely referred to as voluntary agencies through the 1960s. In the 1970s, in keeping with rising neoliberalism, the term private voluntary organizations (PVOs) became more widely used for American voluntary agencies, and the UN popularized the term nongovernmental organization (NGO) which covers a large umbrella of non-state actors.
other nonprofit organizations involved in food such as trade organizations, farm and food
lobbies, cooperatives, fraternal organizations, educational and research organizations, and the
like, although these groups certainly played important roles and do crop up in this project.

Having to decipher this politically loaded terminology highlights the real but often hidden
power of language—the politics of language if you will—and the complexity involved in
defining food philanthropy’s place in the American history of political economy. This
dissertation shows much of that complex evolution. Groups referred to as “voluntary” received
voluntary giving by average Americans, but over time they increasingly received support from
businesses, philanthropic foundations, and the state. Many “voluntary agencies,” particularly by
the 1950s, had become substantial corporations in which labor was salaried as well as voluntary.
Food philanthropy did not make profits, but its organizations clearly still required injections of
resources to stay in business. The term “private” and “nonprofit” obscured their public ends,
which also often bolstered private business profits. This project shows how philanthropic groups
amassed significant political power over public policy and the deployment of state power as the
“privatized instrumentalities of public influence.” Food philanthropy in essence pioneered their
own regime of bringing surplus food and agricultural science abroad and then convinced the US
state and business that it was in their best interests to underwrite this regime as critical for the
political economy at home and as an element of US power abroad. This dissertation in no way
denigrates the important and often noble humanitarian work that food philanthropy has done
over the last century but emphasizes that its work cannot be separated from historic analysis of
political and economic power.

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66 For an excellent discussion of these complexities, see Hall, *Inventing the Nonprofit Sector*, 1.
Chapter 1

Marketing the Golden Rule:
Near East Relief and Food Philanthropy’s Role in the Political Economy, 1915-1930

New York society turned out one evening in September 1924 to dine in the Grand Ballroom of New York’s newest luxury hotel, the Hotel Roosevelt, with fifteen-hundred of the city’s most prominent citizens. In finery and furs they sat down to a menu of macaroni and cheese, apricots with corn syrup, and bread served on tin plates. They toasted with tin-can cups

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1 President Coolidge from the “Preliminary Report of International Golden Rule Sunday, 1924,” box 18, folder 1, series 2, Talcott Williams Papers (Burke Library, Union Theological Seminary, Columbia University—hereafter cited as Burke Library).
filled with cocoa and sweetened condensed milk. A month later, President Coolidge hosted the same dinner menu at the swanky Willard Hotel for a thousand prominent Washingtonians decked out in black or white tie. John D. Rockefeller, Jr. sat down to a similar meal, as did King George of Greece, George Clemenceau of France, and Prince Carl of Sweden in their European capitals. And the less glamorous also partook. In 1925 in Tacoma, five hundred people—Catholics, Protestants, Jews, Buddhists, and Native Americans—sat down together. In the town of Mexico, Missouri, members of local churches enjoyed their meal on tables provided by the Knights of Columbus and chairs loaned by the Ku Klux Klan. In 1924 alone an estimated one million Americans enjoyed this frugal supper.

These diverse peoples were observing International Golden Rule Sunday, a fundraising campaign organized by the American relief agency NER. The group was founded in 1915 by wealthy businessmen and missionary educators as a temporary effort to send relief funds. But after World War I, the magnitude of the humanitarian catastrophe propelled it to establish facilities scattered across the former Ottoman Empire to support tens of thousands of Armenian and other orphans. NER pioneered many of the mass marketing fundraising techniques that have become synonymous with today’s nonprofits including child sponsorship and corporate marketing partnerships. Golden Rule Sunday was its most famous campaign. From 1923 to 1928, millions of Americans observed the event, held between Thanksgiving and Christmas each year, by eating a simple four-cent orphanage-style meal. NER asked Americans to donate the cost

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difference from their normal Sunday dinners, calculated as three dollars for the average family, to support starving children orphaned by the Armenian genocide. By the mid-twenties, NER’s Golden Rule Sunday became a nation-wide cultural phenomenon.6

NER’s relationships with American food producers developed because of symbiotic interests and the group’s engagement in the politics of the political economy of food. NER initially followed the example of Hoover’s private and public food aid work during and after the war in buying or soliciting farmers to donate corn and wheat surplus with the inducement of creating new markets in the Near East. Depressed grain prices due to surpluses posed a serious economic issue after the war, and farm interests were happy to donate surplus grains to bolster prices and develop new markets abroad. NER also began asking Americans to buy and donate processed foods such as corn syrup, macaroni, cocoa, flour, and sweetened condensed milk. To meet dire demands and spur giving, the Golden Rule Sunday campaign fully co-market ed with processed foods industries to encourage donations of these foods deemed healthful for malnourished children. NER worked within the market to commodify generous giving as a consumer activity. It worked particularly closely with the Corn Products Refining Company (CPRC). The CPRC paid for NER Golden Rule advertising that featured NER endorsements that its Karo corn syrup was as healthful for American children as it had been in saving starving Armenian children.

This marketing relationship blossomed as the CPRC battled the USDA over the labeling of corn syrup in a decades-long crusade to convince American consumers that corn syrup was

6 On the cost of an orphan’s meal, see “Golden Rule Sunday,” New York Times, Nov. 30, 1923, 14. The organization was founded as the American Committee for Armenian and Syrian Relief (ACASR) in 1915, then renamed itself the American Committee for Relief in the Near East (ACRNE) in 1918. It became Near East Relief (NER) upon congressional charter in 1919. After 1930, NER incorporated a new state charter as the Near East Foundation (NEF) with an emphasis on agricultural development.
healthy. The USDA constrained the corn products industry’s labeling practices at the very same
time the Department of Commerce supported the CPRC’s development of more commercially
viable crystal corn sugars to add to processed foods. Into this federal food fight and battles for
consumer acceptance waded NER with its reputation for humanitarianism and child health
expertise. With over a decade of publicity that corn syrup was healthy for growing children, the
long battle ended with the government’s 1930 decision to liberalize corn sugar labeling policies.
As the Golden Rule Sunday campaign developed, it also partnered with retail grocers and
wholesalers to encourage consumers to buy food products for donation and for their own
consumption all year long, thereby making humanitarianism work for entire food supply chains
within the marketplace.7

This chapter illuminates how NER, particularly through its Golden Rule Sunday
campaign from 1923 to 1928, launched itself into the politics of food in the broader political
economy in the interwar years in order to obtain critical support to meet its humanitarian
mission. In so doing, it helped make the food economy work and helped to structure the political
economy of food—from the farm and the factory—at a time when agricultural surplus was
crippling farm prices and as the nascent processed foods industry was striving to gain legitimacy
with American consumers. NER inherited what one historian calls the “mobilization of emotion”
during World War I and used it to entice American giving as a consumer activity.8 Its relief
efforts worked with Hoover’s postwar food programs, the federal state, the congressional farm
bloc, farm lobbies, and food industry groups to feed foreign populations while supporting
American farmers and food processors. Meanwhile, the interwar growth of associative

7 For an excellent discussion of the Corn Products Refining Company’s labeling fights, see Kelly J.
Sisson Lessens, Master of Millions: King Corn in American Culture (PhD diss., University of Michigan,
8 Kennedy, Over Here, 119.
governance led to sharp disagreements about bureaucratic organization, agribusiness policies, and pure food laws between the Agriculture and the Commerce Departments, with lobbyists and businesses ranged on both sides. With the era’s series of revenue acts that enshrined individual charitable deductions and corporate business deductions, NER’s work translated into tax-subsidized power to shape consumer food trends and public policy over food labeling. The history of NER’s marketing campaigns illuminates how an American food philanthropy played a significant part in these political-economic developments.

**Plight of the Armenians**

Hoover wrote, “Probably Armenia was known to the American school child in 1919 only a little less than England.” The plight of Armenian and other Near East Christians had grown in American consciousness since 1915 when the American Ambassador to the Ottoman Empire, Henry Morgenthau, Sr. was inundated with reports of Turkish atrocities. On September 3, 1915 Morgenthau telegrammed the Secretary of State Robert Lansing, “Destruction of Armenian race in Turkey is progressing rapidly. . . . Will you suggest to Cleveland H. Dodge, Charles Crane, John R. Mott, and Stephen Wise and others to form committee to raise funds and provide means to save some of the Armenians.” Dodge was a friend of President Wilson and a longstanding supporter of Protestant colleges in the Near East. He and James Levi Barton of the American Board of Commissioners for Foreign Missions (ABCFM) convened a group in New York and were given access to State Department reports which quickly convinced them that their mission would not be temporary. The group joined with three smaller relief organizations in November

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1915 to form the American Committee for Armenian and Syrian Relief (ACASR), the original name for NER. It solicited wealthy donors and began feeding reports to the media in order to garner donations from across the country.

Within months the organization had 38 committees in sixteen states and was quickly overwhelmed by the scope of its task. In April 1916, it turned for help to the Laymen’s Missionary Movement (LMM), an organization established to bring business methods to missionary fundraising. The LMM’s Charles V. Vickrey took charge of ACASR’s promotional programs and set it on a pioneering path towards professional philanthropic fundraising. Expanding on techniques pioneered by the YMCA, Vickrey systematically canvassed businesses, civil society groups, and average Americans outside of traditional church giving and wealthy donors. He publicized gut-wrenching accounts of Armenian suffering and initially relied heavily on faith-based messages of Christian solidarity. In June 1918, the organization renamed itself the American Committee for Relief in the Near East (ACRNE) to encompass its expanded geographical reach into the Caucasus, Persia, and the Levant. With the end of the war, starvation loomed for at least half a million Armenians and others, particularly for tens of thousands of orphaned or abandoned children. ACRNE decided to deploy its own relief workers to establish operations on the ground.

To support this expanded mission, Vickrey’s fundraising campaigns increasingly joined the broader trends in American mass marketing and consumer culture that exploded during and after the war. In late 1918, it hired the Division of Pictorial Publicity (DPP), the poster-making arm of George Creel’s Committee for Public Information (CPI), to create fundraising posters. President Wilson established CPI by executive order as an independent federal agency producing American war propaganda. Public relations personnel from the CPI and artists from the DPP had honed their techniques during the war, and many would go on to help accelerate American mass marketing in the 1920s.16 Seeking to professionalize and advertise the group’s good works, Vickrey approached donors as the potential consumers of humanitarian and Christian idealism in order to convince them to spend their money to save vulnerable children. In December 1919 alone, its appeals appeared in full-page ads in 3,034 newspapers, 1,500 trade and class publications, a special pictorial supplement in the widely circulated New York World, ads in every other New York daily newspaper, and 3,000 pages of free ads in hundreds of other publications.17 Vickrey sold all the good reasons—charity, humanity, global brotherhood, Christian responsibility, character building, and sacrifice—to buy critically needed help for desperate orphans. American consumers also bought in because of the group’s perceived moral authority and medical competence in saving children. Humanitarian impulses were thus commodified; charitable giving became a consumer activity.

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Edward Bernays, a nephew of Sigmund Freud, was an early pioneer in public relations and served in the CPI during the war. In the 1920s he pioneered the link between corporate sales campaigns and social causes when, while working for a tobacco company, he convinced women’s rights activists marching in New York City to hold up Lucky Strike cigarettes as “torches of freedom.” Tracing the history of social causes and the “public relations counsel,” he said that colleges and social-service projects, citing NER by name, were among the first to use “appeals and a technique comparable to the war propaganda.” He went on to write that “charity as well as business . . . have to adopt propaganda, for the public must be regimented into giving money. . . . The Near East Relief . . . and all the rest, have to work on public opinion just as they

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had tubes of tooth paste to sell.” Lilian Brandt, an economist with the Charity Organizational Society at Columbia University, was also among the first to analyze why people donated to philanthropic causes. She wrote in 1921 about the donor as a “psychological problem” to whom the right appeals must be applied because “the emotions become fatigued.” She insisted that philanthropy was “not so much a matter of reason or of conscience as of habit, tradition, imitation, social pressure, and sentiment.” The YMCA was among the first charities to use modern fundraising techniques such as “Y” campaigns and door-to-door solicitations in the first decade of the century. Great Britain’s Save the Children and Society of Friends Relief Mission successfully used donor canvassing, clothing bundles, and child sponsorship in post-WWI Europe. And the American Red Cross advertised their sponsor’s products—Wrigley’s chewing gum, Jell-O, Lucky Strike cigarettes, and beauty products—in the Red Cross Magazine. NER followed their lead, but its relationships with American food producers, particularly in its Golden Rule Sunday campaign, far surpassed these organizations in its mass marketing reach and commodified moral branding.

In addition to its moral marketing, the organization also enjoyed public legitimacy because of its engagement in the politics of the political economy of food by establishing close ties with American government and political elites. In June 1916, Congress passed a joint resolution asking President Wilson to declare days of giving for Armenian relief which were

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22 Bremner, American Philanthropy, 124-125.
24 Kevin Rozario, Culture of Calamity: Disaster and Making of Modern America (Chicago: University of Chicago, 2007), 437.
declared for 21 and 22 October 1916. National figures such as William Howard Taft, Franklin Roosevelt, Elihu Root, Charles W. Eliot, Charles Evans Hughes, Leonard Wood, and Allen Dulles served as the relief group’s trustees. President Wilson proclaimed support for ACRNE’s 1919 campaign to raise $30 million dollars. For the initial expedition of nearly 500 ACRNE personnel who departed for the Near East in January 1919, the Wilson administration provided three navy ships and army transports to move personnel, supplies, and donated surplus equipment, including 100 trucks, 36 motor cars, 20 motorcycles, 15 ambulances, and fifteen 100-bed hospital units. ACRNE relief workers gauged the dire conditions as it took charge of tens of thousands of children from the Caucasus to Palestine and determined that it would need sustained help.

From 1918 to 1921, the relief agency initially worked overseas within a complex state-private network tied to the American Relief Administration (ARA), successor to the war-time US Food Administration, both of which were headed by Hoover, as was the wartime Commission for Relief in Belgium (CRB). These groups all managed a herculean effort in moving large quantities of US food to Europe during and after the war. The ARA was established by the US Congress in February 1919 with a $100 million appropriation to feed starving Europeans. It became a private relief agency after August 1919, thereafter receiving funds from both the US government and private donations. Through the ARA and American Red Cross, NER received

over $25 million in US government funds and 50,000 tons of American food to support feeding programs in the Near East. NER primarily worked with ARA’s European Children’s Fund, using its allocation and funds donated by the American public to buy quantities of grains and other foods to feed thousands of children in Armenia and Transcaucasia. Like NER, the ARA made appeals through films in the US to raise awareness and, as a precursor to CARE packages during WWII, sold “food drafts” to the American public, which Europeans could cash in for food at ARA warehouses overseas. ARA ended its work with NER in 1921 and disbanded after feeding millions during the Russian famine from 1921 to 1923.

As noted in the introduction, to garner greater governmental and public support, ACRNE petitioned and won incorporation as NER by a special act of Congress in 1919. The history of the philanthropic general-purpose corporation forms a fascinating part of American legal history and merits a brief synopsis because it became an integral part of future food philanthropy. Early nineteenth-century corporations were considered “republican” in that state legislatures chartered them for specific “public purposes,” as grants of popular sovereignty. As the law began to recognize corporations having “private interests,” it still held that such interests might either pay dividends in a joint-stock company or give alms to the poor—both fulfilled a public purpose. The state also often contracted out to private interests its public tasks, such as public utilities. By mid-century, general incorporation in the states was rampant, and some states began offering tax

exemptions for “benevolent societies” to continue to engage in work for the public good. The
distinction between for-profit corporations and those “not-for-profit” originated largely from the
1874 Pennsylvania general incorporation act, a result of Pennsylvania Railroad’s collusion with
Rockefeller’s Standard Oil.\textsuperscript{34} The language of public purpose was slowly lost and by the end of
the nineteenth century what came to define a corporation’s status was its private motive of
making profits or not. Trust law contributed significantly as well, with New York’s Tilden Act of
1893 providing a benchmark in legalizing open-ended philanthropic bequests.\textsuperscript{35} By the time of
NER’s incorporation, there was a distinction in legal incorporation between for-profit and
nonprofit, although this history of NER clearly demonstrates that in reality the boundaries could
be quite blurred.

\textbf{Farmers and Food Industries}

Once the ARA turned its attention to the Russian famine, NER needed to seek its own
sources of food donations rather than using its limited funds to buy American food. It then
delved fully into food politics, leveraging its close ties to the American state and forming new
partnerships with farm interests to solicit direct donations of the surplus foods that were
becoming a major political-economic headache for the US state and food economy. During the
war, Hoover’s US Food Administration had convinced desperate allied purchasing commissions
to pay enticingly high prices for American grains.\textsuperscript{36} Corn production jumped by 5 million
bushels in 1917, prices jumped from 88 cents to 136 cents a bushel, and corn and wheat gained

\textsuperscript{35} For an excellent description of this history, see Levy, “Altruism and the Origins of Nonprofit Philanthropy,” in \textit{Philanthropy in Democratic Societies}.
over $1.2 billion in value by 1918. Stimulated by wartime profits and dangerously easy bank credit, farm mortgage debt rose 163 percent from 1910 to 1920.\textsuperscript{37} Massive postwar food relief kept corn, wheat, and hog prices high though 1920, but with a rapid recovery of European agriculture and less demand, grains prices began to fall precipitously in 1921. A bumper corn crop in 1921 exacerbated the problem and created a major surplus of corn.\textsuperscript{38} Agricultural prices plummeted 85\% from 1919 to 1921, and the corn glut caused its prices to drop by 66\%.\textsuperscript{39} Farmers began to lose their land.

The crisis spurred the US government to search for political and economic solutions. The public-private 1921 “Eat More Corn” and 1922 “Corn Eaters’ Club of America” campaigns had some local success in increasing demand.\textsuperscript{40} However, agricultural surplus also meant lower food prices for workers in a rapidly industrializing and urbanizing economy. In making the food economy work, the state had to balance competing interests between producers and consumers. These efforts converged with two other significant postwar developments. First, farmers achieved unprecedented lobbying strength in the 1920s. A more muscular farm lobby developed around the growing county agent system to create the powerful American Farm Bureau Federation (AFBF) which by 1921 had close to a million members.\textsuperscript{41} The AFBF, Nonpartisan League, and the National Farmers Union promoted different solutions to boom-and-bust prices, but all wanted the state to support its interests, just as the government promoted the industrial


\textsuperscript{38} Surface and Bland, \textit{American Food in the World War and Reconstruction Period}, 245.


\textsuperscript{40} Lessens, \textit{Master of Millions}, 325-326.

economy. Second, cabinet agencies such as the USDA continued its bureaucratic expansion started after the turn of the century to better manage the farm economy. The state-funded county agent system and agricultural research network meant that the USDA was present in most rural Americans’ lives. By WWI, the USDA was the third largest nonmilitary federal entity after the post office and Treasury. In 1922, Secretary of Agriculture Henry C. Wallace established the Bureau of Agricultural Economics (BAE) in the USDA to better understand and ameliorate the agricultural economy, make the food economy work, and promote long-term stability for farmers. The BAE pushed for exporting more food overseas through a new agricultural attaché service to promote new markets and trade negotiations overseas. Congressmen from farm states joined together to work with both farm lobbies and new bureaucracies to boost farm power. NER’s need for food to feed the starving came along at an opportune time to engage in the politics of this significant political-economic dilemma.

In 1921, NER started to work directly with farm interests to encourage donations of agricultural surplus to feed Armenian refugees and support its dozens of orphanages and hospitals. Senator Arthur Capper of Kansas, a leader of the congressional farm bloc and owner of several farm publications, chaired an agricultural advisory committee to help NER reach the “farm constituency of the United States with the appeal for contributions.” NER’s Agricultural

42 See Gerstle, Liberty and Coercion, 198-200.
43 From 1900-1905 the USDA had added six new bureaus, see Gerstle, Liberty and Coercion, 190-193.
44 Ibid., 195.
46 “Near East Relief,” Journal of Farm Economics 3, no. 1 (January 1921): 23. The advisory group consisted of The American Farm Bureau Federation, the National Farmers Union, the National Grange, the National Board of Farm Organizations, the American Farm Economic Association, the National Milk Producers Federation, and the International Farm Congress, see “Help the Starving,” Agricultural Review 13, no. 8 (August 1921): 2. Capper was former president of the International Farm Congress and would emerge in 1922 as the head of the so-called congressional farm bloc or movement, see Patrick G. O'Brien, “A Reexamination of the Senate Farm Bloc 1921-1933,” Agricultural History 47, no. 3 (1973): 248-63.
Advisory Committee counted among its members former farm-state governors, farm lobby heads, and luminaries from government, business, and academia. Supported by the American Farm Economic Association and the International Farm Congress, Capper asked farmers to save starving orphans while creating a taste for corn and “a possible new market for the great American staple.” The Indianapolis NER office told farmers that it “was the first introduction of corn products into the Caucasus and already several inquiries have been received from local governments as to the possibility of arranging for direct purchases in the United States of large quantities of corn meal and flour.” More than a million members of the National Farmer Cooperative and Educational Union from thirty states endorsed NER’s work. Working with the National Corn Miller’s Association, NER’s agricultural committee delivered 500 train cars of corn after the 1921 harvest; in 1922 it delivered 765 cars of primarily corn and grits, but also wheat, barley, rye, and beans—with freight donated by the railroads. One “small town in South Dakota furnished 100 teams, 100 farmers, 100 wagon loads of corn.” In 1921, the Indiana Farmer’s Guide declared a “grain week” for Hoosier farmers to donate corn and wheat to NER. County agents helped with donations and grain operators offered their work for free. The Guide reminded farmers that by donating they were “paving the way for new markets in future years.”

50 Alonzo E. Wilson to Barclay Acheson, telegram, Sep. 28, 1921, box 142, Albert Shaw Papers, NYPL.
The NER agricultural committee also encouraged donations of farm machinery with the inducement of eventually selling machinery to a recovered and modernizing region. Capper encouraged the National Grange farmers’ organization to donate the first tractor to NER. It arrived in 1922 among thirty train cars loaded with farm equipment to help cultivate the 17,600 acres of land allocated to NER by the Soviet government. NER used its donated funds to buy this equipment from American farm machinery manufacturers along with $100,000 in American seed. In these relationships with farm interests and agribusiness, NER steeped itself into the politics of the political economy of food.

In addition, NER began to buy or solicit food donations from food manufacturers, wholesale and retail grocers, and consumers. Processed foods in the 1920s were beginning to absorb greater quantities of agricultural products, including surplus grains. In 1920 Hershey Chocolate donated to NER 25,000 pounds of cocoa. One 1921 NER relief ship held 5,500 tons of grains from Midwest farmers, 330 tons of canned goods donated by Pennsylvania school children, and 5,000 cases of Karo corn syrup bought by NER. The National Canners Association urged its members to donate any canned goods. NER’s “Say it With Flour” campaign enlisted retail grocers to set up “coin posters” for consumers to buy portions of flour to send to orphans, and movie star Norma Talmadge figured prominently in its marketing. The

54 Peterson, Starving Armenians, 115-116.
55 Ibid., 116.
56 “A Christmas Gift to Orphaned Children,” box 7, folder 2, series 2, Talcott Williams Papers, Burke Library; “Near East Relief Grain Campaign,” Ellis County Kansas Hays Free Press, December 29, 1921, 1.
57 “Canned Goods Offered Hoover,” Retail Grocer’s Advocate, 26 (February 26, 1921): 15.
58 “Say it With Flour,” Retail Grocer’s Advocate 26 (May 18, 1921): 8-9, 13; “Say it With Flour,” The New Near East 6, no. 5 (February 1921): 25.
Pennsylvania, New Jersey, and Delaware Wholesaler Grocers Association at its annual convention voted to allow NER to place the coin collecting posters in every grocery store.59 In 1922, two Chicago manufacturers donated 30,000 pounds of macaroni after NER’s medical officer Doctor John C. Curran told the annual convention of the National Macaroni Manufacturers, “We physicians…have observed the wonderful recuperative value of macaroni to these starving little bodies. We would rather have macaroni than any other food for those hungry children.”60 Public schools encouraged consumer donations, and in March 1922 Brooklyn school children sent 40,000 cans of condensed milk to NER.61 Even before the Golden Rule Sunday campaign, NER was becoming proficient in encouraging American food industries and consumers to buy and donate certain processed food products.

![Near East Relief map of operations, 1921](https://neareastmuseum.com/archives/near-east-relief-map-1921-2/)

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Golden Rule Sunday

By 1923, NER needed ever more food and funds to meet the staggering humanitarian demands caused by continued postwar Turkish attacks on its minorities. Vickrey’s new idea forged an unprecedented marriage of philanthropy and consumerism fully enmeshed within the American food industry and supported by the state. As donor fatigue appeared to affect giving, NER announced its inaugural International Golden Rule Sunday campaign to be observed on December 2, 1923. The previous year, President Harding had issued a special proclamation to state governors declaring December 3, 1922 as Near East Emergency Sunday, a day on which state and local officials, businesses, and civic organizations should encourage giving to NER and the American Red Cross.

Vickrey expanded on this idea to energize these same state and local entities and to merge the entire enterprise of giving into the complex fabric of the American food industry, from the farmer to the consumer. The first dinner mobilized NER’s huge network of churches, schools, civic organizations, businesses, labor unions, and local governments. In Chicago in 1923, an estimated 20,000 families took part. Governors, mayors, and other officials across the US proclaimed support. Celebrities such as football star Red Grange endorsed the campaign, and child actor Jackie Coogan headlined condensed milk drives. The Grafton, North Dakota Walsh County Record wrote that “in a day when so many of our people have provincial attitudes,

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65 “20,000 Families Here to Have Orphan Fare Tomorrow,” Chicago Tribune, December 6, 1923, 17.
so provincial that many of them can glory in the slogan ‘America First’ in its narrowest sense, we need this day in order to enlarge our vision and make us think of all nations and all men as members of one common family.”68 By 1927 there were over 16,000 local Golden Rule Sunday organizing committees, and 26 governors headed their state committees. NER presented the idea to the Assembly of the League of Nations and, by 1928, it was observed in 53 countries.69

Figure 4. Doctor Mabel Elliott works to save the life of an Armenian boy, November 1922.70

The new campaign no longer simply asked for donations of grain surplus, coins, or canned goods. NER fully partnered with certain processed food industries to commodify NER’s child welfare expertise in endorsing their food products as healthy. Doctor Mabel Elliott, the “modern Florence Nightingale,” directed NER hospitals and by the early 1920s was fairly well known in the US.71 With the rollout of Golden Rule Sunday publicity, Elliott figured

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71 See letter regarding Mabel Elliott’s speaking tour, Irving J. Gumb, April 8, 1924, box 7, folder 9, series 2, Talcott Williams Papers (Library); E. Guy Talbott, “Back to Ararat,” Forum, 72 (August 1924): 284. A
prominently in articles syndicated to dozens of American newspapers. Placed under President Calvin Coolidge’s endorsement for the event, the article “American Foods Best Says Famous Doctor” quoted Elliott saying that certain “foods are now the backbone of all our menus for rebuilding children. . . . Our menus include . . . American flour . . . corn grits and liberal use of corn syrup, American condensed milk and American cocoa and macaroni, thus making a balanced ration to meet all scientific requirements as to relative food values, calories, and vitamins.”72 Food industries used Elliott’s expertise in saving starving Armenian children to promote specific food products, not only for Golden Rule Sunday, but as healthy food for American families all year long. Retail grocers put up window displays highlighting the campaign and these same products. The 1924 Golden Rule Sunday campaign sent out thousands of brochures entitled “The Golden Rule—and Big Business” to encourage local NER chapters to seek endorsements and contributions across the country.73

NER’s closest food industry relationship was with the CPRC and its Karo-brand corn syrup. The CPRC donated thousands of advertisements reminding Americans that its meals should include “milk, rice, bread, cocoa, beans, macaroni, and Karo, the great American food . . . that helped save thousands of these little children from starvation.” Ads with titles such as “A Lesson for American Mothers” included a letter signed by NER’s Dr. Curran, stating that the “food experts of the NER have chosen Karo, along with condensed milk, beans, rice, macaroni and cocoa,” to give health and energy to the 115,000 recently starving orphans under its care.74

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search of contemporary newspapers and magazines yielded several articles mentioning Elliott’s work before 1923.

72 “American Foods Best Says Famous Doctor” Marysville Ohio Evening Tribune, November 22, 1923, 2; although archival records do not indicate the circulation of this set of articles, a cursory search found it in at least four dozen American newspapers in late 1923.

73 “The Golden Rule—and Big Business,” box 138, Albert Shaw Papers, NYPL.

74 See for example Chicago Tribune, November 30, 1923, 6; Bridgeport Telegram, December 4, 1924, 7; Reno Evening Gazette, December 4, 1924, 7.
The campaign included recipes for the orphan’s favorite pudding of “corn grits with cocoa, sweetened with corn syrup . . . and American condensed milk.” This and similar recipes appeared in women’s magazines and newspapers through the 1920s. For Golden Rule Sunday in 1924, the CPRC donated at least 60,000 window displays and up to 400,000 displays, 3.5 million 12-page recipe booklets, 1.5 million Golden Rule menus (using Karo corn syrup), and full-page advertisements in the morning and evening papers of major American cities. In 1925, CPRC donated 4 million recipe booklets, added 5,000 billboards for one month, and paid for more than $50,000 in newspaper advertising. On December 2, 1926 alone, Golden Rule Sunday Karo ads appeared in 77 major US newspapers.

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77 “Docket of Executive Committee Meeting,” May 25, 1925, box 14, folder 5, series 2, Talcott Williams Papers, Burke Library.

78 “NER Karo Syrup Golden Rule Sunday Advertisements for December 2, 1926,” box 15, folder 9, series 2, Talcott Williams Papers, Burke Library.
The tax implications of supporting philanthropy changed radically for individuals during the period of NER’s work, but corporations could also benefit from making donations. Philanthropic corporations had been largely tax exempt since just after the turn of the century. After the national income tax took effect in 1913, the War Revenue Act of 1917 allowed individual charitable deductions up to 15 percent of taxable income to offset the 60 percent surtax levied on high incomes. In 1918, individual charitable bequests could be deducted from estate taxes. By the end of the war, the wealthy increased private giving and established more philanthropic trusts. Although tax law did not allow corporate deductions to philanthropy until

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81 Bremner, American Philanthropy, 133.
1936, companies could write off advertising as business expenses and several states began allowing state tax deductions for corporate giving in the mid-1910s. Congress rejected a corporate charitable deduction in 1919, 1928, and 1934, considering it controversial for corporations to use funds outside their duty to shareholders and beyond the powers of state laws of incorporation. However, besides deducting advertising expenses, some corporations got around the deductibility prohibition by giving shares to philanthropic organizations as a “foregone dividend,” much as rich entrepreneurs gave stock to build huge foundations.

Beginning in 1925, NER owned shares of CPRC stock, although it is not clear from archival sources if they were donated by the CPRC in this manner. In any event, what is clear is that the nonprofit NER and for-profit CPRC developed a close marketing partnership. From 1925 to 1928, CPRC’s Director Edward T. Bedford served on NER’s National Golden Rule Committee. Bedford was a former Standard Oil executive who launched into the corn syrup industry in 1901 with $2.5 million in capital from the Rockefellers and other Standard Oil executives. The Rockefellers retained the majority of CPRC stock while its family members and various philanthropic enterprises were early financial supporters of NER.

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Scholars and legal experts may debate whether corporate support of charities should be attributed to ideals of corporate social responsibility, the “halo effect,” or “enlightened self-interest,” but the mutually beneficial relationship of NER and the CPRC played a significant role in the political economy of processed foods in the 1920s. NER, as does any philanthropy, required help in spreading pleas to the American public to support its noble work in feeding tens of thousands of children. For the 1924 Golden Rule Sunday campaign, NER budgeted only $100,000 for national publicity and urged its huge network to solicit free advertising from commercial and other organizations. NER also needed donations of money and calorie-rich foodstuffs with long shelf-lives that could be easily transported. The CPRC and other food manufacturers made huge donations of advertising to associate their brands with the work of NER in saving starving children. NER accepted these donations and thereby associated their work in feeding children with the grains and processed foodstuffs that formed the staples of their orphanage meals. In particular, the interests of the CPRC and NER converged in promoting corn syrup as a healthy and calorie-rich food to nourish children.

**Corn Syrup and the Pure Food Fight**

To understand why NER’s endorsement of corn syrup became so important for the CPRC in the 1920s, one needs to briefly delve into the controversial politics over consumer acceptance of corn sugars and the state’s role in its labeling. These debates illuminate both the cooperative and the contentious politics by public and private actors within the political economy of food during the period. The philanthropy-business partnership proved significant because the CPRC

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87 The term “corn sugars” was used in the period to describe syrup or granulated sweeteners derived from corn.
had been battling for decades with pure food experts to establish its products as healthful unadulterated foods for the American consumer.

Glucose, or corn syrup, was developed in 1881 by cooking cornstarch in an acid. It had half the sweetness of sugar made from cane or beets, which was chemically known as sucrose. Brewers and confectioners enthusiastically incorporated the cheaper sweetener. But glucose had an image problem, and many food producers and consumers were suspicious. Glucose was cooked with sulfuric acid and sounded like it came from a glue factory—consumers blanched and pure food crusaders had a field day. Civil society organizations, such as the Women’s Christian Temperance Union, had been warning about the dangers of adulterated foods for years. Farm journals argued that factory-made glucose was unhealthy compared to sorghum, maple, or cane syrups. In the 1890s, Harvey Wiley, Chief of the USDA Bureau of Chemistry, took up the pure food fight. He did not argue that glucose was inherently unhealthy but championed unadulterated foods and proper labeling of any additives to inform and protect consumers.88

When first marketed as a table syrup in 1903, the Karo brand had to convince consumers that it was wholesome and tasty. The Corn Products Company, precursor to the CPRC, enlisted the state’s help to win over consumers. In 1904, Secretary of Agriculture James Wilson approved the company’s request to have the new USDA Standards Committee allow manufacturers to substitute the term “corn syrup” for the unappealing term glucose.89 Subsequently Karo ads declared corn syrup “the New Table Delicacy” made from “that portion of the corn kernel which

contains the greatest strength-giving, energy-producing, and flesh-forming elements.”\textsuperscript{90} In addition, neither the terms glucose nor corn syrup had to be listed as an additive on low-cost jams and jellies, which increasingly contained glucose in place of more costly cane sugar.\textsuperscript{91}

The glucose labeling decision did not last long. In 1906, the year that Bedford consolidated several firms as the CPRC, Wiley and pure food crusaders succeeded in their long battle to convince Congress to pass the Pure Food and Drug Act. Within days of the new law, the USDA reversed its earlier decision and prohibited manufacturers from using the term corn syrup in place of glucose. The new law further stipulated that processed foods must “conspicuously state” their ingredients beginning in 1907.\textsuperscript{92} The CPRC got more bad news when Pennsylvania police arrested 500 small candy dealers for violating that state’s new pure food law which prohibited glucose made with sulphuric acid. The months-long litigation received nationwide attention highlighting CPRC’s five million dollar fine and leaving consumers with the impression that sulphuric acid remained in glucose after processing.\textsuperscript{93}

The CPRC chose to skirt the new labeling laws as it lobbied the USDA that corn syrup was a fitting term for glucose and moreover a wholesome food.\textsuperscript{94} New Karo labels identified the product as “Karo corn syrup with cane flavor,” neglecting to mention glucose.\textsuperscript{95} A similar controversy brewing over whiskies convinced Agriculture Secretary Wilson to appoint Wiley as

\begin{quotation}
\textsuperscript{90} Chicago Tribune, March 4, 1904, 12.
\textsuperscript{94} Lessens, Master of Millions, 309–310.
\textsuperscript{95} See Karo ads in the New York Times, December 6, 1907 and March 27, 1908.
\end{quotation}
head of a new three-man advisory, the Board of Food and Drug Inspection, to review industry appeals of pure food decisions. Wiley asserted that whiskey blends should not be labeled as whiskey because they derived their color from additives, not oak aging. President Theodore Roosevelt disagreed, and the US Attorney General overruled Wiley’s interpretation on whiskey, setting an important precedent for food labeling under the Pure Food law. The Attorney General’s 1907 ruling stated that “the intention of the law will be best observed by giving to such articles names readily understood and conveying definite and familiar ideas to the general public, although such names may be inaccurate in the view of a chemist.” According to the state, what mattered for food labeling was how the public perceived a product rather than its chemical make-up. This decision foreshadowed the importance of molding consumer perceptions through marketing that would shape corn sugar fights in the 1920s—and the importance of endorsements as to its healthfulness.

After losing a hearing before Wiley’s three-man board in September 1907 to allow the term corn syrup on its labels, the CPRC ramped up its appeals directly to Secretary Wilson and Roosevelt by mobilizing chemists, doctors, state food commissioners, grocers, and corn-belt state senators to attest that corn syrup was chemically similar to cane syrup and provided Americans with cheap healthful food. Bedford reminded Wilson about the Attorney General’s

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98 Emphasis is mine, published as *Food Inspection Decision 83*, November 22, 1907, see Harvey W. Wiley, “Brief of H.W. Wiley, December 31, 1907: Corn Syrup as a Synonym for Glucose,” 2-3, General Correspondence 7: Corn Syrup vs. Glucose, RG 16 (National Archive Records Administration II, College Park, MD, hereafter cited as NARA II).
recent decision on whiskey labeling and that the glucose industry bought significant quantities of corn from American farmers.  

In a new December 1907 hearing, the CPRC and Wiley argued the glucose labeling issue before Wilson himself. Responding to Bedford’s charge that the labeling decision hurt corn farmers, Wiley countered that the glucose industry was destroying the beekeeping, maple sugar, cane syrup, and sorghum industries. By 1906, corn syrups were outselling maple and cane syrups by a five-to-one margin. Interestingly, Wiley failed to disclose that he was also a paid consultant to cane and beet sugar refiners. Wilson asked for written opinions from the three members of the Board of Food and Drug Inspection. Wiley submitted a 172-page complaint against the CPRC. However, the two other board members had changed their minds since September, and Roosevelt again weighed in on a pure food issue. Upon examining a vial of Karo, the President concluded that it was a syrup made from corn. Wilson later recalled Roosevelt’s opinion as, “you must make the manufacturers call a spade a spade, but don’t make them call it a damn shovel.” In February 1908, the Secretaries of Agriculture, Treasury, and Commerce signed Food Inspection Decision 87 declaring that manufacturers could label glucose as corn syrup. Wiley’s disagreement with the decision would have to play out in the court of consumer opinion. A few months later, Wiley told the “Mother’s Congress” that table syrups, other than maple syrup,
should “be carefully scrutinized in regard to their purity.”103 When he left the USDA in 1912 to join *Good Housekeeping* magazine, Wiley refused CPRC advertisements and continued writing opinions against the labeling decision.104

Wiley might have taken some consolation in the fact that corn syrup was still considered an adulterant when added to processed foods and had to be listed as an ingredient on their food labels. Issued in 1907, USDA Food Inspection Decision (FID) 66 only allowed cane or beet sugar, known as sucrose, in processed foods without being listed on labels. FID 66 and later USDA decisions determined that a sweet taste was sufficient to tell the consumer that sugar was present, in essence ruling that only sucrose was considered sugar.105 The CPRC fought for the next two decades to convince consumers and the USDA that corn sugar was healthy and should be treated as regular sugar in processed foods—and therefore not added to the label. Between 1906 and 1916 Bedford spent over $5 million in advertising *Karo*, corn starch, and corn oil as wholesome corn products. Its 1916 annual report stated that “as a result of its activities, people everywhere are coming to realize that corn starch, corn syrup, and corn oil are among the most wholesome and nutritious, as well as the cheapest foods.”106 *Karo* grew in popularity yet still experienced consumer skepticism and Wiley’s continued attacks.107 Processed food manufacturers hesitated using corn syrup in their products due to lingering consumer distrust and

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103 “Can Dr. Wiley Possibly Be as Small as This,” *American Food Journal*, 3 (April 15, 1908): 14. The National Congress of Mothers was a forerunner of the National Parent Teacher Association.
sporadic USDA enforcement of labeling requirements. Bedford complained to Secretary Wilson that food manufacturers were “afraid to use our products.”

The political and commercial controversy lay dormant until 1923, the same year that NER launched its initial Golden Rule Sunday campaign. That year, the CPRC’s development of a crystalized and more commercially viable corn sugar called “dextrose” propelled the company on a renewed campaign to gain consumer confidence, remove USDA labeling restrictions, and alleviate farmers’ burgeoning corn surplus. As noted, the USDA had taken the lead in trying to solve the corn glut but, when Hoover took over as Commerce Secretary in 1921, he determined that his agency should be the primary engine to transform American industry, which included managing its food supply. He directed his Bureau of Standards to expand public-private collaboration in scientific research to support the food industry. The CPRC had been consulting with Bureau scientists since 1915 about making a more commercially viable corn sugar. Corn syrup was useful as table syrup or in jams, mincemeat, and beer, but food manufacturers wanted a granulated corn sugar to substitute for expensive sugar in processed foods needing a dry ingredient. In 1923 William Newkirk, a Commerce Department scientist first loaned to and then hired by the CPRC, developed a purer crystalized and commercially viable corn sugar, known by chemists as dextrose and branded Cerelose by the CPRC. Wiley

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castigated the Commerce Department for purportedly designing the CPRC’s $500,000 research facility where Newkirk developed the product.\textsuperscript{111}

Yet, in another interesting public-private partnership, the USDA was simultaneously working with NER to dehydrate fruit and vegetables for commercial applications and to better ship food abroad. Using produce donated to NER by California farmers to go overseas, the Bureau of Chemistry’s W. A. Noel created a “a new type of duplex dehydrator, having a capacity of 2 tons,” to dry these products for better transportation and storage. “In order to collect data under typical factory conditions at a minimum cost for operation,” the USDA used food donated for philanthropy abroad which NER then shipped to its orphanages in the Near East. Once perfected, the process could then be used by “companies having facilities for marketing such products.”\textsuperscript{112} This was another example of a symbiotic partnership between philanthropy and the state in supporting a new food industry.

Meanwhile, contributing to the continuing political controversy over corn sugars, Cerelose cost pennies a pound and proved superior to sucrose for feeding baker’s yeast, texturizing candy, and preventing ice crystals in ice cream. It promised a cheaper sweetener and preservative in canned goods and for pickling. The CPRC doubled its initial production of 20 million pounds of the new product in the first year. But the Pure Food and Drug law and FID 66 continued to constrain the CPRC because the addition of any sweetener other than sucrose to processed foods had to be indicated on their labels. Some manufacturers still balked at listing the term corn sugar on its labels—much less the chemical term dextrose.\textsuperscript{113} Supported by the

\textsuperscript{111} Harvey Wiley, \textit{A History of a Crime: The Amazing Story of The National Food and Drugs Law Intended to Protect the Health of the People Perverted to Protect Adulteration of Foods and Drugs} (Washington DC: Harvey Wiley, MD, 1929), 300–03.
\textsuperscript{112} USDA, \textit{The Official Record} 2, no. 17 (April 25, 1923), 2.
Commerce Department, the CPRC joined pro-farm newspapers, corn-belt politicians, and agribusiness interests to lobby the USDA to allow dextrose to join sucrose as a hidden additive.\textsuperscript{114} They argued that a robust corn sugars industry would absorb 480 million bushels of corn a year, larger than any previous surplus. It would revitalize corn prices for American farmers and create new export markets for corn—such as those being cultivated in the Near East.\textsuperscript{115} And it would provide healthy and cheap calorie-laden nutrition to the processed foods that were increasingly feeding America’s expanding population.

These tensions were playing out against a bureaucratic battlefield between Hoover’s Commerce Department and the USDA over which federal entity would control political-economic management of food. The first head of the BAE Henry Charles Taylor enlarged the bureau to over 2000 employees, both due to the growing stress on economic analysis of the food industry and his and Wallace’s efforts to prevent Hoover from grabbing key USDA functions in managing agriculture. This was a pivotal time as to whether the political economy food was primarily an agricultural issue or a commercial issue. Taylor accused Washington of being more interested in providing cheap food to urban workers than in supporting farmers. Taylor was dismissed in 1926 due to his support of the McNary Haugen farm bill in which the government would purchase surplus production for export at current domestic prices and charge farmers the difference between the domestic and overseas prices. When Wallace died, Coolidge—who favored keeping the government out of the market—had the new agriculture secretary dismiss Taylor. In Taylor’s memoir, he was also prescient in worrying that the dumping of agricultural


surplus in foreign markets would stimulate foreign industry and eventually hurt American manufacturing.\footnote{See 1920s debates on the McNary-Haugen Act. Taylor was dismissed as the head of the USDA’s Bureau of Agricultural Economics in 1925 and wrote of his experience in government in 1926 in \textit{A Farm Economist in Washington, 1919-1925}, which was not published until 1992 by the University of Wisconsin Press.}

In 1924, Bedford asked the USDA’s Director of Regulatory Work Walter Campbell to allow the USDA’s interpretation of sugar in processed foods to include “dextrose sugar.”\footnote{Emphasis is mine. Lessens, \textit{Master of Millions}, 332.} Campbell informed Bedford that the USDA could not simply decide what constituted a familiar food. In an opinion reminiscent of the US Attorney General’s take on whiskey in 1906, the USDA declared that \textit{“popular understanding and trade custom largely establish standards and this Department in its announcements undertakes to reflect . . . public judgment in those matters.”}\footnote{Scrutator, \textit{“Sugar Made of Corn Entering Market Slowly,” Chicago Tribune}, August 16, 1924, 16.} Only if consumers accepted that corn sugar was as wholesome in providing sweetness as cane and beet sugar would the USDA consider reviewing labeling standards. The \textit{Chicago Tribune} predicted that the new product would have to “overcome the conservatism of the kitchen” by convincing homemakers of its wholesomeness.\footnote{Dextrose is a monosaccharide and therefore more easily metabolized than the disaccharide sucrose which must be broke down in the stomach into glucose and fructose to be absorbed in the body, see “The Myriad Uses for Corn,” \textit{Indiana Farmer’s Guide}, July 1, 1922, 689; Peckham, \textit{Economics and Invention}, 98, 115, 341.}

\section*{Golden Rule Sunday and Corn Syrup as Health Food}

Thus, as Golden Rule Sunday swept the nation, the CPRC ramped up its campaign to convince consumers that corn sugar was not only as healthy as sucrose, but actually healthier. Doctors had used corn syrup since the nineteenth century to treat malnourished children or invalids because it was easily digested and calorie-rich.\footnote{Scrutator, “Sugar Made of Corn Entering Market Slowly,” \textit{Chicago Tribune}, August 16, 1924, 16.} Golden Rule Sunday \textit{Karo} ads told consumers that “Near East children show that as an invigorating health-building food . . . \textit{Karo}}
contains the vitalizing food element, Dextrose, which your doctor can tell you has a tremendous health value." The CPRC highlighted NER endorsements from its orphanages in conjunction with new medical studies about the health benefits of dextrose and glucose for babies and children. These studies recommended Karo as an additive to milk to make a nutritious and fattening infant formula. The CPRC placed ads for Karo in *The American Journal of the Medical Sciences* in 1924 touting the nourishing qualities of corn syrup as the best ingredient for homemade infant formula.

Also prominent in the Golden Rule Sunday campaign, Borden’s condensed milk was using corn sugars for sweetening by the mid-twenties. Employing NER endorsements, Borden’s Nutrition Department in 1924 launched a national health crusade against malnourishment in American children. Borden quoted NER’s Curran, “Our experience with 115,000 orphan children of the Near East shows that there is no more valuable food than condensed milk for restoring half-starved children to health and strength.” The *American Food Journal* provided Golden Rule Sunday recipes using condensed milk from Oscar, chef at the Waldorf-Astoria hotel in New York. After the first Golden Rule dinner, NER launched an effort to collect one million cans of condensed milk on a transcontinental train. Curran travelled on the milk train

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120 For example, *Charleston Gazette*, December 2, 1926, 7.
endorsing the healthful effects of sweetened condensed milk. NER recruited the nine-year-old child star Jackie Coogan to sail on the “Million Dollar Milk Ship” filled with condensed milk, corn syrup, and flour and to deliver it personally to Near East orphanages in support of the “Golden Rule Crusade.” Boy Scouts collected and packaged up donations along the route. In 1925, Borden paid for a “four-color card in all street cars and subways in the United States” endorsing Golden Rule Sunday.

The CPRC and NER, along with other food producers, looked for more creative joint marketing techniques to encourage Americans to buy more Karo and other processed foods for both NER donations and for their own consumption. For the 1925 Golden Rule Sunday campaign, Curran, serving as both chief health expert and NER’s key liaison to the processed foods industry, attended the National Retail Grocer’s convention to discuss NER’s project for “Golden Rule Sunday and the Retail Grocer.” In addition to buying certain processed foods for their Golden Rule Dinners and donating the cost difference to NER, the new program encouraged consumers to buy these foods throughout the year to send to NER because of their nutritious properties for growing children. Backed by the CPRC, Retail Grocers Association, Borden Milk, and Pillsbury Flour, the campaign allowed people to fill out cards with their local grocers indicating which products they wished to purchase for NER orphans. Retail grocers took

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129 “International Golden Rule Observance 1925: Cooperating Industrial Organizations,” 12, box 7, folder 10, series 2, Talcott Williams and NER Correspondence, 1924-1926, Talcott Williams Papers, Burke Library.
130 Dubuque Telegraph Herald, June 24, 1925, 1.
payment and sent the cards to the wholesale suppliers to ship foods directly to NER. Both the retailer and wholesaler made their profits, passing on profits to manufacturers and farmers, and the NER received goods paid for by American consumers. Grocers joined the CPRC and NER to tell American mothers they were doing the right thing by buying these products. Ultimately, NER developed a system of philanthropy that spurred much-needed giving but also supported profits for the supply chains of several American food industries.

With the benefit of several years of positive Golden Rule Sunday publicity for the healthfulness of corn syrup, Bedford, farm lobbyists, and corn-belt politicians petitioned Congress to amend the 1906 Pure Food and Drug law itself to get around the USDA’s regulatory interpretation. In December 1925, Senator Albert Cummins and Congressman Cyrenus Cole, both of Iowa, introduced a bill to expand the definition of sugar to include corn sugars. The Chicago Tribune reported that “the bill had the backing of more than a million farmers and businessmen of the corn belt.” The newspaper promoted a six-plank farm program which included removing “the stigma from corn sugar.” Grass-roots lobbyists gave away free samples of dextrose to housewives. Grocers set up displays with sacks of corn sugar and—however unpalatable—corn syrup poured over corn flakes. The powerful AFBF lobbied hard in support of the bill, which quickly passed the Senate and gained Coolidge’s support. But growing criticism derailed a quick passage and led the House to call hearings on the bill in March 1926 before the Committee on Interstate and Foreign Commerce.

133 “A Farm Program,” Chicago Tribune, January 8, 1926, 8.
134 “1,000 Samples of Corn Sugar Are Given Away,” Chicago Tribune, January 26, 1926, 26.
At the hearings, Commerce’s Bureau of Standards pitted itself against the USDA’s Regulatory Service which brought in pure food crusader Wiley to lead the attack against the measure. Frederick Bates, head of the Bureau of Standards, testified that “a carbohydrate of great food value, great stability, great purity, and great cheapness” should be made available to consumers while helping the corn industry and American farmers.136 The Bureau provided a report with numerous doctors and scientists attesting to the healthfulness of dextrose and its chemical similarity to honey and sucrose. The report cited American doctors attesting to corn sugar being the “best product on the market” for “feeding malnutrition cases in children and small babies.” But while the carefully worded endorsements agreed that dextrose was healthy “in moderation,” when used “in an ordinary diet,” and that it posed the risk of diabetes “no more than the same amount of sucrose,” the experts did not address the effects of consuming large quantities of dextrose if it were added to many processed foods.137

Wiley countered that he did not object to the basic healthfulness of glucose or dextrose, but that their extensive use in processed foods could be dangerous to the American diet. “I have no quarrel for use of dextrose in hospitals,” Wiley said, but its easy absorption could harm the natural digestive process and, because dextrose had half the sweetness of sucrose, twice as much of it was required in place of sucrose in processed foods. Wiley argued that too much dextrose in the body cannot be burned: “It is converted into an inert substance called glycogen and is stored up in this condition in the liver and in the tissues. . . . If we flood our stomachs with dextrose, then we will need half a dozen artificial pancreases.” He fundamentally believed that consumers

should know of any additives to their foods. But his primary concern was the danger to health if cheap corn sugars were increasingly added to processed foods—particularly without telling consumers that they were present. By “permitting dextrose to be used in food products without notice, as much as two billion pounds would enter into the stomachs of the American people annually.”

Wiley did not sway congressional leaders who sided with King Corn’s agricultural and industrial lobbyists. The bill passed in the House by a small majority, but when returned to the Senate for a final vote, Senator Matthew Neely of West Virginia successfully filibustered it by reading from Good Housekeeping magazine. Neely said his aims were to protect American consumers from adulterated foods and to defend the Pure Food law. Others agreed. The Washington Post noted, “The food law has been of inestimable value to food consumers of this country. It would be a misfortune to begin its mutilation.” The Wall Street Journal urged the corn sugars lobby to educate and seek the approval of “the housewife” to achieve labeling changes.

In response, the CPRC launched new campaigns to sweeten the American consumer on corn sugars and continued to tie Karo and dextrose to children’s nutrition in Golden Rule Sunday marketing. Ads targeted mothers with cartoons of healthy children raised on Karo, the “energy food” or “health food,” that built strong bodies. In home economics journals, CPRC ads claimed: “Leading Doctors, dieticians and pediatrists highly recommend Karo for children—

143 See for example Oakland Tribune, December 2, 1926, 18.
particularly in cases of malnutrition.” 144 In op-eds supporting the corn industry, commenters referred to NER medical endorsements of corn syrup as healthy, noting that “orphanage directors testify as to the wonderful food values of corn syrup.” 145 To better infiltrate American kitchens, the CPRC commissioned Ida Bailey Allen, among the first celebrity cooking experts, to write a corn products cookbook called *The Modern Method of Preparing Delightful Foods*. She advocated *Karo* for both its wholesomeness and for “that deliciousness achieved by the best French chefs.” She said that babies particularly benefitted from milk spiked with corn syrup which is “easily assimilated” to “furnish immediate energy.” 146

![Karo ad, Fairfield Ledger, November 17, 1927.](image)

Figure 6. *Karo* ad, *Fairfield Ledger*, November 17, 1927. 147

Interestingly, corn farmers went silent about corn sugar labeling in 1927 and 1928. 148 Manufacturers increasingly bought up corn sugars for cattle feed, rayon, synthetic rubber,

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147 *Karo* ad, *Fairfield Ledger* (Fairfield Iowa), November 17, 1927, p. 12.
explosives, tanning, and food additives such as citric acid and riboflavin.149 Corn sugar production jumped by nearly 400,000 pounds from 1925 to 1927, increasing nine-fold from 1920 to 1929.150 Illegal but profitable uses for corn likely also help explain farmers’ sudden lack of interest in labeling fights. Prohibition Commissioner James Doran estimated that ninety-five percent of illegal whiskey was made with corn sugar from the “bone-dry” Midwest.151 After the 1929 Jones Act strengthened federal penalties for bootlegging, one corn sugar producer reported a twenty-five percent drop in orders.152

By 1930, events converged to renew the push for more relaxed labeling. The country faced more failing farms, and the farm lobby was once again interested in legal corn sugars. In March, the CPRC formally petitioned Agriculture Secretary Henry Hyde for a new policy recognizing corn sugar “as a pure, wholesome and nutritious food placed upon an equality with other sugars.”153 Bedford reminded Hyde that the CPRC bought more than thirty percent of the cash corn crop. The AFBF, supported by a letter campaign from its corn-belt housewives, and midwestern newspapers rallied around the measure.154 In a three-hour hearing before Hyde in July 1930, a CPRC attorney said that under the current regulation many manufacturers were still unwilling to use corn sugars in their processed foods. He argued that approval would mean farmers could sell 40 million more bushels of corn a year.155 Senator William Hull of Illinois

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150 “Corn Sugar is the Basis of ‘Moon,’” *Chicago Tribune*, February 18, 1929, 6.
153 *Lessens, Master of Millions*, 341-345
155 “Corn Sugar Battle Rages for 3 Hours Before Hyde,” *Chicago Tribune*, July 26, 1930, 7.
argued that if corn sugar was “beneficial to sick babies it cannot be considered anything but beneficial to mankind in general.”\textsuperscript{156} Years of NER’s humanitarian and medical-expert messaging now permeated the debate. In opposition, Mrs. Harvey Wiley (her husband had died the previous month) joined a group of non-corn belt state agricultural departments and beekeepers headed by Congressman Franklin Menges of Pennsylvania. Anna Wiley declared that “to the housewife sugar is sucrose” and that selling processed foods without alerting consumers to other ingredients was deceptive.\textsuperscript{157}

With no decision by Hyde forthcoming, the AFBF and a large group of corn-belt politicians urged President Hoover to force a decision.\textsuperscript{158} As noted, Hoover’s Commerce Department had been behind development of crystalized dextrose in the first place. The day after Christmas 1930, Secretary Hyde gifted the CPRC and corn farmers a new regulation that declared “the use of pure refined corn sugar as an ingredient in the packing, preparation, or processing of any article of food in which sugar is a recognized element need not be declared upon the label of any such product.”\textsuperscript{159} Hyde, likely pushed by Hoover, now believed that economic support for farmers trumped consumer perceptions as long as the product was not considered unhealthy. He declared that corn sugar was a “wholesome and healthful food.”\textsuperscript{160} The CPRC announced it would double production of corn sugars and build another plant.\textsuperscript{161} Anna Wiley lamented that the revision “will do much to weaken the confidence of consumers in the

\textsuperscript{156} Lessens, \textit{Master of Millions}, 348.
\textsuperscript{159} USDA Food and Drug Administration, “Service and Regulatory Announcements, Food and Drug No. 2 (First Revision) Supplement No. 3.”, “December 31, 1930.
\textsuperscript{160} “Hyde Opens Up New Market to Corn Farmers,” \textit{Chicago Tribune}, December 27, 1930, 3.
federal enforcement of the pure food which heretofore had been a bulwark of safety for the food of the nation.” 162 Corn sugars would not have to be labeled on processed foods again until 1966.

**Philanthropy in the Political Economy of Food**

It is difficult to ascertain just how much NER’s endorsement of corn syrup contributed to the product’s ultimate acceptance by consumers and the ensuing changes in food additive regulations. Likely the concern to help farmers by absorbing corn surplus weighed heavily with the state. But for the first three decades of the twentieth century, the corn products industry expended tremendous resources in convincing American consumers and the state that its products were healthy. The USDA consistently told the CPRC that it had to change consumer perceptions of healthfulness in order to change labeling regulations. The CPRC needed the endorsement of experts considered eminently unbiased and credible. NER fit this bill perfectly with its well-earned image of humanitarianism and child health expertise. The before and after pictures of horribly starved children testified to NER’s competence and corn syrup’s value. The CPRC and its *Karo* brand absorbed this image as its own. Well into the 1950s, *Karo* still marketed corn syrup as a health food for children. Good mothers fed their children plenty of carbohydrates, and “eminent child specialists” recommended *Karo* for “easy absorption . . . without strain on the delicate digestive tissues of the child’s body.”163 The most famous babies of the era, the Dionne Quintuplets born in 1934, were raised on corn syrup formula, and the CPRC paid $15,000 a year for the babies’ endorsements.164

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163 “*Karo* Brings Plenty of Nourishment to Active Bodies,” *San Antonio Light*, February 7, 1932, AW8; see also ads for “Karo Health Food” in *Ogden Standard Examiner*, March 20, 1942, 6B, and *Sealy News*, June 10, 1954, 8.
This chapter illuminates how food philanthropy worked with the state and food industry to structure the political economy of food in the 1920s, and how its work impacted the contentious politics surrounding food labeling public policy during the period. But the final years of NER also highlight the internal political challenges and growing pains faced by philanthropic groups in maturing as nonprofit corporations. Despite the tremendous popularity of the Golden Rule Sunday campaign and the publicity it garnered, by the late 1920s several NER leaders thought the domestic marketing campaign was eclipsing actual work being done in the field. NER’s Overseas Director Barclay Acheson claimed that the Golden Rule campaign was becoming an end in itself rather than a means to support work overseas. He also criticized its overtly Christian message, despite being a Presbyterian minister himself. Acheson noted “extravagant campaign methods” that raised funds but also absorbed extensive time and resources. 165 When NER decided to end the Golden Rule campaigns in 1929, Vickrey went on to establish a Golden Rule Foundation dedicated to spreading goodwill internationally. 166 The internal debates foreshadowed future issues in the aid industry between the domestic versus overseas focus of these groups as well as issues over how much effort to place on fundraising and overhead versus spending funds on aid itself. Eventually, monitoring philanthropic expenditures on marketing and expenses would become a philanthropic cottage industry in its own right.167

165 Barclay Acheson Diary, January 1 to April 29, 1927, page 22, box 3, folder 27, series 12, RG 1, FA 406, Near East Foundation Records, RAC.
166 “Minutes of the Executive Committee, March 23, 1927,” page 507, box 1, RG 2, FA 1305, NEF Records (RAC); Barclay Acheson Diary, January 1 to April 29, 1927, page 2, box 3, folder 27, series 12, RG 1, FA 406, NEF Records, RAC.
167 Consider such modern entities as Charity Navigator, Charity Watch, the Better Business Bureau’s Give.org, Give Well, and GuideStar.
By 1930, NER had ended its Golden Rule Sunday campaign and, with orphans aging out of its care, its trustees voted to incorporate a new Near East Foundation (NEF) in New York State and to shift focus to improving the agricultural economies of the Near East. Over its 15 years, NER raised over $116,000,000—over two billion dollars today—and supported 132,000 orphans into adulthood. The organization estimated that it had saved the lives of over a million Armenians and others. Its heroic relief workers fanned out across the Near East bringing the abundance of America to millions in need. 168 The following chapter illuminates how NEF went on to pioneer agricultural development work abroad in exporting, not just American food abundance, but its entire political-economic system for producing food.

And back in the US, NER helped farmers offload grain surpluses and pioneered partnerships with the American food industry to acculturate consumers to buy retail products in order to help others. Through its Golden Rule Sunday campaign, NER integrated mass philanthropy into the interwar political economy by partnering with the state and business, endorsing consumer confidence in certain processed foods, and commodifying the giving impulse. Its experience shows that the tripartite amalgam of state, business, and philanthropic sectors operated in collaborative and also contested ways. In NER’s case, it did not grow to occupy the sinister position that some congressmen imagined when it was federally incorporated, but its humanitarian role did give it unique power to influence how consumers and the state interacted with the American food industry. And it certainly engaged in the politics of the political economy during the period, making the food economy work and influencing public policy. NER’s history illuminates a significant early chapter in understanding how philanthropy worked to structure the American political economy of food.

In spring 1938, at the urging of President Franklin Roosevelt, the US Undersecretary of Agriculture Milburn L. Wilson toured NEF’s operations in Greece on his way home from a food conference in Rome. Before the conference, FDR asked Wilson to talk to Henry Morgenthau Sr., the father of his Treasury Secretary, about Morgenthau’s experience with NER and then NEF programs in the Near East. Morgenthau explained to Wilson about these groups’ work in food relief and agricultural development that had been ongoing for nearly twenty years by then. Roosevelt and Wilson saw parallels between NEF working to remake the agricultural economies and rural life of the Near East and New Deal efforts to help an economically struggling rural

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America. In the US, food surpluses continued to depress farm prices at the same time the country desperately needed abundant cheap food. Wilson wondered if NEF might have lessons to be learned in promoting better food production while still saving small farmers.  

Wilson spent three days with the NEF Salonika Director Dr. Harold B. Allen touring the NEF farm school. Programs teaching boys agricultural skills and girls home economics were partnered with nascent host-nation government agencies. Wilson compared NEF programs to the agricultural extension work that had been omnipresent in rural America since the early 1900s, noting that it was “an Extension program that was developing in another culture . . . which was a pretty big activity for the time.” Allen was on a leave of absence from the Rural Education Department at Rutgers University and a product of Progressive-era land-grant education and USDA extension work. Wilson too was a product of a similar education in the Midwest and had been the first county extension agent in Montana. He applauded Allen and the NEF for translating American agricultural education “into practical working terms in the Near East. I have seen work of this character before which I did not think was very effective because it [was]

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2 These include the Division of Subsistence Homesteads (DSH), formed in 1933 provide low-interest loans for small homes and lots of land in areas hard hit by the Depression. On June 16, 1935 the powers for the DSH granted under the National Industrial Recovery Act expired. On April 30, 1935, Executive Order No. 7027 created the Resettlement Administration under economist Rexford Tugwell, which was replaced by the Farm Security Administration (FSA) in 1937. The RA and FSA gave agricultural and home economics training to over 455,00 farm families between 1936-43, see R.M. Carriker, *Urban Farming in the West: A New Deal Experiment in Subsistence Homesteads* (Tucson: University of Arizona Press, 2010); Bernard Sternshler, *Rexford Tugwell and the New Deal* (New Brunswick, NJ: Rutgers University Press, 1964), 272; and https://www.nal.usda.gov/collections/stories/subsistence-homesteads. Singer Johnny Cash related how his destitute family was able to get a 20-acre homestead in Dyess, Arkansas, see Justin William Moyer, ““Socialism — Kind of”: Colonies Sprouted to Combat the Great Depression. Now these Homes are Slated for Demolition,” *Washington Post*, July 19, 2019.


4 Salonika is modern-day Thessaloniki, Greece.
not really reaching the roots of the people nor had it translated itself into their daily lives.”\(^5\) Wilson later said that he observed in Greece “certain of the principles, with which all pioneer country agents and extension workers in the United States worked, being adapted to a village form of rural life in a culture very much different from our own.” He credited NEF with first stimulating his “interest in the development of extension work in other lands.”\(^6\)

The USDA Undersecretary also drew comparisons to the ideas that were percolating back at USDA headquarters to better help rural America in the wake of the 1937 recession. He called the NEF programs essentially “the beginning of what we call the Community Development and Village Work Program” referring to the grassroots rural reform programs that he and other USDA social scientists promoted after 1938 in what some scholars have called the “Third” or “Intended” New Deal.\(^7\) These agricultural and community development programs stalled in helping US farmers when Congress cut funding in 1942, but they went on to inspire and inform overseas agricultural development work under Truman’s Point Four programs in the 1950s. With the hindsight of writing in 1953, Wilson called NEF the “great pilot enterprise in the field of Point Four and in the development of extension education in agriculture and home economics.”\(^8\)

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\(^5\) M.L. Wilson to Dr. Harold B Allen, September 22, 1938, box 2, folder 3, Collection 00003, Milburn L. Wilson Papers, 1935-60, Archives and Special Collections, Montana State University (hereafter cited as MSU).


This incident highlights how the domestic politics of reforming the US political economy of food was fundamentally intertwined with the emergence of American philanthropic efforts to export agricultural development as a geopolitical arm of the US state and business abroad. As noted previously, among the major political-economic issues of the late nineteenth and early twentieth centuries in the US was in reforming American agriculture and rural life to keep up with a rapidly industrializing and urbanizing country. Well before American food philanthropy embarked on developing the perceived backwards rural economies of the world, leaders from across spheres of the state, business, and philanthropy worked to reform domestic agriculture. Farm interests sought sustainable incomes and political power for American farmers while industrialists demanded cheaper food for everyone else. The most significant issue in the politics of the political economy of food was how best to balance these conflicting goals. How could rural life—often perceived as backwards economically, technologically, and culturally—be made efficient and rationalized without stripping rural communities of the agrarian ideal of the family farm? And how to make rural life comfortable and attractive enough to keep young people from following the bright lights to the big city?

Investment in education and scientific research became the key method to try to solve these challenges, beginning with land-grant colleges during the Civil War, agricultural experiment stations, the Rockefeller’s philanthropic General Education Board (GEB), the Country Life movement, and eventually the massive USDA agricultural extension programs that spread across rural America during the Progressive Era. Agribusiness harnessed new research and engineering resources to create new seeds, fertilizers, farm implements, and mechanization to transform farm work. These complex associational webs of actors remade the American political economy of food by WWI, resulting in the great abundance of food that then ironically
depressed farm prices and crippled farmers after the war. As seen in the previous chapter, the major issue occupying the politics around the political economy of food then became how to manage this surplus that made the system work for consumers and food manufacturers but not for poorer farmers unable to afford agricultural innovations.

NER exported American surplus food in the 1920s, and in the 1930s NEF exported the American agricultural system—grounded in state and commercial cooperation—that created such abundance. It was the first American philanthropy specifically dedicated to agricultural and rural community development abroad.9 Steeped in the domestic progressive revolution in scientific agriculture, NEF workers conveyed to the laboratory of the Near East their technical know-how and American agribusiness products, anxious to demonstrate that their methods could work in other cultures. NEF sought to remake foreign political economies in the American image by partnering with host-nation governments to permanently incorporate their work into state programs.10 Despite the relatively small and selective scale of its projects in the 1930s and 40s, NEF nevertheless had an outsized influence as the first US-based international development agency. Its work also paralleled and informed ongoing domestic efforts to reform American agriculture under late New Deal programs.

After President Truman announced, as the fourth point in his 1949 inaugural address, a “bold new program” to make American scientific advances available to improve “underdeveloped areas,” he cited the work of NEF as an inspiration and model.11 The US not only had food abundance but also a tremendous abundance of expertise, or as Truman claimed,

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9 Missionary activity abroad at times taught agriculture, but it was not a primary mission for these groups, see Grabill, Protestant Diplomacy and the Near East.
10 Daniel, America Philanthropy in the Near East, 199.
America’s “imponderable resources in technical knowledge are constantly growing and are inexhaustible.”\textsuperscript{12} Early Point Four agencies consulted extensively with NEF for how to embark on technical aid projects.\textsuperscript{13} NEF leveraged both access and influence with foreign governments as a philanthropic ambassador working to create markets for American agricultural technology and products abroad.

NEF contended with the emerging politics involved in food philanthropy with fellow voluntary agencies, wealthy foundations, the state, and business in both domestic and international contexts. It navigated the jealousies of other philanthropes concerned that its brand recognition would eclipse their interests in the region. It maintained relationships inherited from NER with the US government and farm interests. NEF leaders touted their work’s importance to promote stability and security in the region in the face of growing nationalism and communist and fascist influence. The group engaged in creative philanthropy that emulated commercial practices. It founded Near East Industries, through which women could sell their handicrafts in the US, and pioneered a type of “philanthro-tourism,” which encouraged American visitors to observe its work in the Near East—with the aim of increasing publicity and donations. However, in the wake of internal controversy over Golden Rule Sunday, NEF deliberately eschewed big US marketing campaigns and specifically NER’s engagement with processed food producers.\textsuperscript{14} But NEF nevertheless delved deeply into the politics of the Near East, working to embed agricultural programs into the bureaucracies of host-nation governments and offering a model for how philanthropy could serve as a geopolitical arm for the US state and American business.


\textsuperscript{14} Daniel, \textit{America Philanthropy in the Near East}, 204.
NEF also provided a model to New Deal agrarian leaders in the US grappling with how to manage the profound disruptions to the political economy of food wrought by the scientific agricultural revolution. NEF’s model of community development paralleled late New Deal programs advocated by Wilson and other USDA social scientists before going on to inspire and inform Truman’s Point Four vision. NEF led and reflected trends in what some scholars have dubbed “low modernization” or “communitarian” development as opposed to the juggernaut of “high modernization” that stressed large projects and central bureaucracies.15 NEF also emphasized conforming American rural reform and scientific agriculture to local cultures. Of course, the goal was still to remake poor farms in the image of the American rationalized middle-class farm family businesses with significant involvement by state agricultural bureaucracies. The focus, however, remained on democratic, participatory, and gradual grassroots change led largely by the orphans whom NEF envisioned as the future leaders of the region. Early on, NEF leaders used the term “community betterment” and eventually used the term “community development” extensively, as did Wilson referring to late New Deal rural programs.16

Finally, NEF’s work demonstrates its historical agency in helping build food philanthropy into a significant force in the political economy of food after WWII and the contingency involved. The expansion from relief to development was not a foregone conclusion in the history of American food philanthropy and political economy, nor was the political nature

15 The term “high modernism” comes from Scott, Seeing Like a State. Jess Gilbert argues that agrarian intellectuals in the late New Deal were actually “low modernists” more concerned with grassroots collective agrarian planning, see Gilbert, Planning Democracy. Daniel Immerwahr stresses the countervailing impulses to high modernism as “communitarian,” in Immerwahr, Thinking Small, and Nick Cullather argues that much of this comes from nineteenth-century rationalism and its tendencies to measure all progress against the yardstick of technology and a drive to make human society legible to the state, see Cullather, “Development?”; Ades, Machines as the Measure of Men.

NEF chose to become America’s first international development agency by exporting the practices of the domestic political economy of food, a choice that had far-reaching implications at home and abroad.

NER Shifts to Development Aid

By the mid-1920s, NER had begun to contemplate what the organization would do once its orphans aged out of care. The relief agency had developed deep expertise in feeding and supporting children, but what were its responsibilities and interests in the region once the children were grown? Having invested so much, many NER leaders and staff believed the organization had a duty to try to improve the economic and social environments into which it placed these emerging adults. They saw in these young people future leaders of their communities. In addition, NER had developed tremendous political, business, and community connections and regional understanding from Armenia to Palestine by working with local and national governments and other groups. Several NER leaders wondered whether there was an opportunity to delve into a new mission to improve the poor areas where their orphans would build their lives.

NER embarked on a highly deliberative process to gauge regional needs and new mission possibilities. Senator Henry Allen, an NER special commissioner, conducted the first survey and recommended that NER should continue to care for and educate its children and support their transition into adulthood. He noted that NER was held in high esteem by foreign governments and that there were still unmet needs among the local populations. In 1925, NER then

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commissioned a group of education experts to conduct a comprehensive survey of conditions and needs in the region. It worked with groups active in the Near East in addition to NER, including the YMCA, YWCA, Protestant colleges and missionary schools. The resulting study declared itself a “practical” undertaking examining “a scientific approach to problems of American philanthropy in the Near East.” The survey committee comprised university professors and prominent experts in agriculture, business, education, and child welfare “to study the economic and sociological backgrounds of the Near East” and the current “educational activities” ongoing in these areas.18 Assuming NER decided to continue its work, there were conflicting perspectives as to whether to continue more classical education or more vocational approaches. NER’s Overseas Director Barclay Acheson hoped the study would point the way towards “Hampton Institutes instead of classical colleges.”19 Acheson argued that “there is a need for a permanent organization to do the work of a social service and community school character. I believe that inexpensive farm schools and trade schools are also needed.”20

The key members leading the survey were well-known American educators Dr. Paul Monroe, Director of the International Institute at Columbia University Teachers College, Dr. Thomas Jesse Jones of the Phelps-Stokes Fund, and Dr. James H. Dillard of the Jeanes and Slater Funds. The latter two had directed education programs for African Americans in the South over the previous decades. In 1926, the survey’s key investigators fanned out across the region to observe NER operations first-hand: Dr. Frank A. Ross, a statistics expert from Columbia University to the Caucasus; Dr. C. Luther Fry of the Rockefeller-funded Institute of Social and

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19 Barclay Acheson Diary, June 1, 1926, box 3, folder 25, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
20 Barclay Acheson Diary, January 1 to April 29, 1927, page 18, folder 27, box 3, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
Religious Research to the Balkan-Turkish areas; and Mr. Elbridge Sibley, a sociologist also from Columbia University, to the Arabian areas. The eight countries encompassed by NER operations at the time were Armenia, Albania, Bulgaria, Greece, Turkey, Iraq, Palestine, and Syria.\textsuperscript{21}

After two years of work, the survey committee found although the “relief task is done,” largely due to the generosity of over $100 million American dollars and untold millions in food and other resources, the “reconstruction has only begun.” There existed still “unmet and continuing needs, especially unmet needs in the field of vocational education, including agricultural, industrial, and other types. Friendly foreign effort can do much to stimulate, guide, and hasten the commendable efforts of all peoples in the area to rebuild their much-damaged social structures.” Citing the strong connections and levels of trust that NER had built in the region, the committee went on to make a bold recommendation:

\begin{quote}
We, therefore, believe that the time has come for a degree of cooperation and an application of modern forms of social philanthropy to the lands of the Near East such as has never before been tried in a foreign field. We also believe that public opinion in America would welcome and support such broad effort for international brotherliness—scientific in method, international in scope, interdenominational in its backing, interconfessional in its service, making its spiritual contribution more by practice and example of the more abundant life than by preaching.\textsuperscript{22}
\end{quote}

Jones described the many needs of Near East peoples encompassing “practically every phase of their life, including health, economic condition, interracial misunderstanding, welfare of women and children, healthful recreation, and the inspiration of religion.” But the survey committee and NER leaders particularly saw great need for socio-economic help “in the vast, almost untouched, rural districts of many countries.” Jones believed a major problem in the region was an overemphasis on urban socio-economic progress.\textsuperscript{23} In order to promote economic

\begin{itemize}
\item \textsuperscript{21} Ross, Fry, and Sibley, \textit{The Near East and American Philanthropy}, vii-ix.
\item \textsuperscript{22} Ibid., 289.
\end{itemize}
development and “self-support” among rural people, educational efforts should prioritize agriculture and practical demonstration. Monroe said that a “great effort should be made to connect the schoolroom with the actual life and environment of the child.” He called on NER to direct their work towards “definite vocational lines of training” in conjunction with and eventually taken over by the local and national governments of the Near East. He argued that “only in this way can American philanthropy make a permanent contribution to the reconstruction of these scattered social organizations.” Monroe echoed his progressive colleagues, such as John Dewey at Columbia, advocating for education adjusted “to the actual life and needs of the community, to the culture of the people” and based on a participatory approach.

A significant part of the survey committee’s work was carried out by Dr. Ora S. Morgan, a professor of agriculture at Columbia University, who was prescient in his urging for American technical help to increase agricultural production abroad. Citing the “crooked-stick plow” methods still being used with draft animals on depleted soils in the Near East, he argued that “technical help of relatively high order will have to be supplied for any considerable long-time amelioration. American leadership in these Near East countries is not only greatly needed, but it is welcomed locally and by Governments. It would become American far-sightedness if we invested ourselves to a greater extent in carefully planned work in the Near East.” Morgan also

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echoed arguments that these efforts were in America’s self-interest. Because the region was the “nursery of European wars,” the “prevention of wars may be best sought through the improvement of agricultural facilities in the Near East.”

Jones also believed that rural programs to bolster economic development would support western political priorities because “Near East countries are probably more than any other part of the world the origins of wars and warfare.” Acute efforts were needed because “nationalism in its various forms is asserting its right with unusual vehemence.” In 1925, Monroe published an essay titled “Western Education in Moslem Lands” in which he argued that western education in the Near East had to change to meet the threats of growing nationalism. Jones, Morgan, and Monroe, among other survey committee members, stressed the imperative of strengthening the socio-economic conditions of the region to prevent future conflicts in the shadow of growing nationalism, anti-colonialism, Arabism, and Soviet influence.

The emerging politics involved in professional philanthropic work became apparent as NER navigated its next steps. In 1927, NER convened a meeting in Constantinople with other educational and philanthropic groups working in the region to discuss their future work. NER leaders presented the results of the Survey Committee and particularly Jones’s recommendation that NER form a new organization focused on agricultural and vocational education. The other organizations instead advocated for a consortium of existing organizations to share the work—and particularly the fundraising. They proposed forming “a federation for campaign purposes

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between mission boards, YMCA, YWCA, Near East Colleges, and independent institutions in
the Levant.” They seemed particularly threatened by any successor agency to NER inheriting
the group’s proven ability to garner publicity and funds in the US. There was much discussion
about competition among groups for American donations, attention, and “mailing lists,” with
several organizations voicing concern about NER’s strength in these areas. Acheson noted,
“Evidently existing Near East agencies are conscious of the fact that a new organization,
emphasizing rural education, would be popular, and they wish to avoid the strong competition of
such an organization. They are also continuously critical of Near East Relief publicity methods”
and its “modern use of advertising.” He added that “existing organizations are afraid that they
will become impoverished if the new and more popular type of appeal is allowed to run rampant
in America.” Acheson told Jones, who was pushing for a new organization, that the
organizations at the meeting “preferred the central cooperative scheme to the independent
organization for rural work recommended by him because they all wish to enter upon the rural
type of work and therefore wish that they might have some of the funds that the Near East Relief
constituency could provide for this purpose.”

Representatives of the American Board and the Protestant Colleges urged a Near East
“super-organization” of groups dedicated to Christian missionary work and willing to share
donor lists, funding, and projects. But even Acheson, a former Presbyterian minister, wanted to

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29 Barclay Acheson Diary, May 23, 1927, page 119, box 3, folder 27, series 12: Barclay Acheson Papers,
RG 1, FA 406, NEF Records, RAC.
30 Barclay Acheson Diary, May 21, 1927, page 102, box 3, folder 27, series 12: Barclay Acheson Papers,
RG 1, FA 406, Near East Foundation Records, RAC.
31 Barclay Acheson Diary, May 20, 1927, page 100 and 103, and May 21, 1927, page 111, box 3, folder
27, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
32 Barclay Acheson Diary, May 23, 1927, page 118, box 3, folder 27, series 12: Barclay Acheson Papers,
RG 1, FA 406, NEF Records, RAC.
33 Barclay Acheson Diary, June 13, 1927, page 169, box 3, folder 27, series 12: Barclay Acheson Papers,
RG 1, FA 406, NEF Records, RAC.
take NER work in a more secular direction. “My own feeling is that the mission board program of saving the heathen is out of date and that the mission boards would gladly abandon that conception if their constituency at home were prepared for the advance, but they are bound by their history and traditions.” As a young organization, NER did not feel itself similarly bound. Acheson also criticized the Presbyterian Church’s work in Syria as having become wasteful, with missionaries living in luxurious homes. He argued that NER had done more in 10 years there than the Presbyterian missionaries had done in 150 years. There were clear tensions between the missionary interests pitted against NER’s vision of secularized development abroad.

In meetings in New York, Acheson also encountered skepticism from the Rockefeller Foundation to NER becoming a permanent development organization. “One thing is clear and that is that NER has a lot of enemies. Most people feel that it was called into existence to do a specific piece of work and when that work is finished it should close up period. I wonder how much the paid employees of the Rockefeller Foundation want skilled competition. Before we go ahead on a new program, I am going to have a showdown with Raymond Fosdick, [Beardsley] Rumil, and Judge Piatt. It is clear that some strong influence was borne [sic] to bear on Ross, Jones, etc. after I left NY. I think they were told that we were not of the aristocracy of philanthropy.” Acheson thought this a pretty “sinister point of view” for the future of philanthropic agencies.

NER leaders eventually rejected the consortium idea in favor of what Acheson called the “the Jones rural education scheme,” a new philanthropy focused on agricultural development abroad and based on NER’s history of public appeals. Incorporated as NEF in February 1930, the

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34 Barclay Acheson Diary, May 20, 1927, page 103, box 3, folder 27, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
35 Barclay Acheson Diary, May 14, 1927, page 81, box 3, folder 27, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
36 Emphasis is mine. Barclay Acheson Diary, October 6, 1926, page 272, box 3, folder 26, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
group led the way on the cusp of a democratic philanthropic age wherein secularized permanent philanthropic groups, largely mass funded from the grassroots, would work to ameliorate chronic socio-economic problems among the foreign poor. Donations from the wealthy were of course welcomed, but Acheson favored mass appeals to average Americans, what he called “citizen philanthropy” from the “giving constituency of Near East Relief in order to fund vocational education for common people abroad.”

And he favored vocational education rather than the emphasis by the Protestant colleges in the Near East on educating the sons of regional elites. He declared that even in the US “de-luxe education for rich men’s sons is also on the wane. . . . There is much to be said in favor of a people’s foundation that will utilize all existing machinery on the foreign field permitting each to use its own funds for the program that it has already undertaken, but modifying the programs in accordance with this new policy of mass education.”

Born in western Canada, Acheson also showed a western bias in his attitudes: “We might teach domestic science, social service and emphasize democracy much as is now done in Oregon Agricultural School and avoid the snobbery of Eastern finishing schools.” Acheson claimed, “Our aim is the reconstruction of the East instead of its exploitation.”

“Practice and example of the more abundant life”

The deliberate decision to launch a new philanthropy dedicated to rural development in the Near East was a direct outgrowth of NER leaders’ experiences with Gilded Age and

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37 Barclay Acheson Diary, May 23, 1927, page 122, box 3, folder 27, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
38 Barclay Acheson Diary, May 20, 1927, page 103, box 3, folder 27, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
40 Barclay Acheson Diary, June 7, 1926, page 39, box 3, folder 25, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
Progressive politics in the American political economy of food. Scholars have tied NEF’s pioneering work in agricultural development to its missionary background, its long-standing dedication to education, and its food relief work in saving starving children.\footnote{See Bonenfant-Juwong, “Ever-Widening Circles,”; Grabill,\textit{ Protestant Diplomacy and the Near East}; Daniel,\textit{ America Philanthropy in the Near East}, 184, 192.} It did reflect some of that in its birth, but it was also the product of the politics of rural development in the US from the mid-1800s through the Progressive Era. As noted previously, among the most persistent political issues during the previous 80 years had been how to reform the perceived backwards US rural economy in order to support a rapidly industrializing and urbanizing country. Farm politics were national politics as industrialists demanded cheap food for hungry workers while farm interests demanded rural reform to make family farming profitable. Through countless political battles, the growth of farm lobbies, and state and business involvement, a state-private system emerged that transformed American agriculture and rural socio-economics. Scientific agriculture and rationalizing rural life became the goals of a complex system of land-grant colleges, agricultural experiment stations, and agricultural extension, among other initiatives. And the focus of most of this work was in practical vocational education to increase food production and make farm home life better resemble the increasingly comfortable urban life of the middle-class. Boys learned how to improve agriculture and girls learned how to keep a more efficient home. Home economics, sanitation methods, and eventually electrification transformed rural life. And some of these progressive efforts were racialized, focusing on African Americans in the American South who were the most marginalized, and because rural reform movements considered southern agriculture the most significant drag on the national economy.

Agricultural reform and education were intertwined. The Morrill land-grant acts created new colleges focused on agriculture and technical education, rather than the classical model of
American higher education. The Morrill Act of 1862 used the proceeds from the sale of federally owned land, often violently seized from indigenous tribes, for institutions “to teach such branches of learning as are related to agriculture and the mechanic arts.”\(^43\) The Morrill Act (or Agricultural Act) of 1890 expanded the land grants to former Confederate states, including facilitating segregated education in historically black colleges and universities. In 1887, the Hatch Act provided federal funds to these land-grant colleges to create and direct a series of experiment stations for agricultural and veterinary research which would then be disseminated to farmers in order to improve rural economies.\(^44\)

But it took decades of state, private, and philanthropic efforts to penetrate the countryside with modern methods of agriculture. Land-grant education and experiment-station research slowly introduced scientific agriculture into the political economy of food by the late 1800s, but there was consistent political and socio-economic tension over the nature of vocational education and how to modernize the American farm.\(^45\) In the 1880s and 90s, rural interests were largely driving these reforms, but the new century saw growing alarm within the government and among industrial leaders and urbanites about perceived rural socio-economic backwardness.\(^46\) In addition, by 1898 prices for agricultural commodities began to rise and concerns grew about food shortages, farm tenancy among rural immigrants, elusive farm ownership, and rural outmigration.\(^47\) T. N. Carver, professor of political economy at Harvard, argued that conservative

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\(^{43}\) See 7 U.S. Code § 304.


\(^{47}\) See Danbom, “Rural Education Reform and the Country Life Movement, 1900-1920,” 462-474.
and uneducated rural immigrants were slow in adopting rationalized agriculture. The Progressive Era saw greater urgency for remaking the family farm. Industrialists viewed agricultural productivity as the key to feeding the engine of industrial growth by feeding the bellies of its workers with cheap food.

During this period, the work of John D. Rockefeller, Sr.’s philanthropic GEB foreshadowed future overseas development work, and its history illuminates the politics and intertwined domestic-international genesis of philanthropy in the political economy of food. The GEB worked from 1905 to 1914 with the USDA to expand scientific farming demonstrations and the nascent county agent system across the American South and other rural areas. The GEB was the first major philanthropy to insert itself into the domestic politics of the political economy of food and its work would come to directly inspire NEF and the Green Revolution. The GEB’s agricultural work foreshadowed future Nelson Rockefeller philanthropic projects in Latin America and around the world to remake agriculture as part of the complex market-driven political economies of food undergirding industrialism.

In 1901, John D. Rockefeller, Jr. boarded a train for a ten-day tour of historically black colleges in the South organized by businessman Robert C. Ogden. Derisively dubbed “the Millionaires’ Special” by southern journalists, Ogden asked wealthy northerners to consider investing in black education. The impetus was a mix of concern about the erosion of economic and political conditions among black southerners and a greater alarm that backwardness and torpor in the “problem South” and rural America generally would impede national economic

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49 See again Olsson, Agrarian Crossings.
50 Ibid., 102-103.
growth. Junior returned to New York and urged his father to embark on a significant project in the South. After a year of consulting southern education experts, including Booker T. Washington, the Rockefellers endowed the new GEB with an initial $1 million, which would grow to over $180 million over the Board’s fifty-plus year history. In 1903, with the help of Junior’s father-in-law, Senator Nelson Aldrich, the GEB was congressionally chartered, the only Rockefeller foundation to receive federal recognition. But it was soon apparent that poor southern agriculture did not provide an adequate tax base to improve schools. Rockefeller’s chief advisor Frederick Taylor Gates told fellow GEB Board members in 1905: “We are interested in the schools of the South, but we ought to be interested chiefly in the soil of the South, which supports the schools.” There were also clearly paternalistic forces at work in that the GEB, bolstered by Washington’s opinions about “industrial education,” believed black children particularly needed practical education in rural industries. This foreshadowed NEF’s work with rural poor in the Near East.

At the same time, Iowa agriculture professor Dr. Seaman Knapp was promoting scientific farming and crop diversification through new demonstration farms in Texas and Louisiana with funding from the USDA. Knapp urged the USDA to expand the demonstration farms to more states. The USDA lacked the funds and were restricted to underwriting demonstrations states

54 Gates, Chapters in My Life, 221; General Education Board, 18-21; Chernow, Titan, 485.
55 Olsson, Agrarian Crossings, 104.
56 For a later exposition of his ideas see Frederick Taylor Gates, The Country School of Tomorrow (New York: General Education Board, 1913).
57 Knapp had been an author of the Hatch Act of 1887 providing federal funding for agricultural experiment stations attached to land-grant colleges. He had pioneered solutions to the cotton industry’s boll weevil pest, see Gates, Chapters in My Life, 222-223
infested with boll weevils, so the USDA’s assistant secretary reached out to the GEB for help.\textsuperscript{58} In 1906, these public and private entities signed an agreement whereby the GEB would pay the salaries of Knapp and his USDA demonstration agents in non-boll weevil infested states to teach “better methods of farming in order to secure the bare necessities of life.”\textsuperscript{59} Despite initial reluctance from farmers to “book farming” and the “government method,” Knapp used weevil hysteria mixed with sound farming results to win them over.\textsuperscript{60} Agents taught scientific farming, crop diversification, fertilizing, use of machinery, better seeds, stock-raising, and also better business practices and canning. By identifying and convincing a respected prominent farmer in each local area, these new county agents convinced others to adopt new methods. Work expanded to all southern states and into New England, where state colleges of agriculture supervised GEB-funded agents instead of the USDA.\textsuperscript{61} In 1908, Knapp incorporated into the demonstration campaigns the scattered Midwest precedent of boys’ corn clubs to indoctrinate the next generation into scientific farming.\textsuperscript{62} As a gender-appropriate corollary to the boys’ corn clubs, girl’s canning clubs taught the thrift and efficiencies of home economics.\textsuperscript{63} The 4-H movement grew out of these youth clubs. Such clubs married the state at all levels to both agricultural and educational arenas and tied children and their parents into the system of county agents, state extension services, and back to the state agricultural colleges.

\textsuperscript{58} Gates in his memoir claims that he sent the GEB Secretary Wallace Buttrick across the US in 1905 to find ideas for GEB’s new project and in Terrell, Texas discovered Knapp. However, Olsson makes clear that the archival record in fact shows the USDA reaching out to Gates first, see Olsson, \textit{Agrarian Crossings}, 106, 236fn33; \textit{General Education Board}, 25; Gates, \textit{Chapters in My Life}, 223.

\textsuperscript{59} Minutes of the Meeting of the Executive Committee, April 20, 1906, box 23, series 3, General Education Board records, RAC; Olsson, \textit{Agrarian Crossings}, 106; \textit{General Education Board}, 25; Gates, 223.

\textsuperscript{60} \textit{General Education Board}, 27-33; Olsson, \textit{Agrarian Crossings}, 104-105.

\textsuperscript{61} \textit{General Education Board}, 35-40.


GEB reports claimed that its board had little political influence over the county agent program; however, the archival record shows otherwise. Between 1906 and 1914, the GEB funded the USDA farm demonstrations with nearly $1.2 million. More agents were paid by philanthropic GEB funds than by federal funds. The GEB likely downplayed its role because the influence of Rockefeller money over agricultural policy became more controversial by 1914 when the Ludlow massacre in Colorado provoked furious scrutiny of Rockefeller “blood money.” Foreshadowing the concerns voiced by Congressman Cramton over NER incorporation a few years later, Senator William Kenyon of Iowa and other critics charged the GEB with “undermining the fabric of government,” and that its assistance “warps public opinion throughout the country.” Another senator said, “I hope the United States may be spared living on the fortunes of Rockefeller and Carnegie.”

With the passage of the Smith-Lever Act in May 1914, Congress decided to fund the Cooperative Extension Service within the USDA, thereby providing matching funds for states to extend the county agent system. The new law also barred the GEB and similar philanthropies from paying government employees. But Smith-Lever nevertheless incorporated a complex system of state, business, civil society, and others players into federally funded extension work, including establishing a national 4-H organization. Major business groups, including the American Bankers’ Association, the Council of North American Grain Exchangers, and the

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64 “GEB Programs, 1902-1947,” box 331, folder 3491, series 1.2, General Education Board records, RAC; Olsson, Agrarian Crossings, 106.
fertilizer interest group the National Soil Fertility League, all funded by railroad, bank and manufacturing interests, helped to pay for education grants. Eventually the powerful AFBF grew from the networking of county agents. Banking and agribusiness interests joined with prosperous farmers and the county agent system to promote industrial agriculture on larger scales. In 1917, Congress passed the Smith-Hughes Act funding formal agricultural courses in high schools supplemented by demonstration projects at students’ farms. These programs were designed to work with the extension programs targeted at rural youth who were perceived to be more receptive to modern farming techniques than were their parents.

These rural reforms were also the result of the powerful Country Life Movement, led primarily by urban progressives, which belied its quaint title by focusing on how the farm must be remade with industrial efficiency to keep pace with a modernizing economy. In response to its lobbying, President Theodore Roosevelt told Congress in 1904 that “successful manufacturing depends primarily on cheap food” and in 1908 appointed the Commission on Country Life to study the problems of rural socio-economics. Cornell horticulture professor and rural sociologist Liberty Hyde Bailey led the commission with his vision that technology and community revitalization were the keys to improving rural life. The movement sought to rationalize agriculture and better embed it into the industrializing political economy. Major supporters were also afraid of socialist and agrarian radical movements unless rural socio-

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economic conditions were improved, similar to NER fears of radicalization in the Near East.  

Scholars have argued that the high cost of food in the early part of the last century weakened the Republicans’ urban base, disrupted the party by 1912, and ended the “system of 1896” by the election of 1916. This was part of the political-economic shift from producerism to consumerism during this era. Country Lifers blamed the inefficiency of the farm.

These reforms’ main legacy was in acclimating the presence of the state in rural lives, just as the NEF came to promote among Near East governments and which Point Four programs eventually emulated. These politics led to institutional capacity building at home and eventually in other nations, what one historian calls the “agrarian seeds of empire.” By using local farmers as experts in the county agent system, the GEB helped the state to dramatically assert its power. As noted in the previous chapter, the USDA became the third largest branch of the federal government. In addition, USDA, state, and local agricultural cooperation, combined with state agricultural education programs, taught American farmers to envision their livelihoods as integral to the modernizing nation and its political economy. Scientific farmers were taught to be good market capitalists. Historians have demonstrated how the political economy in the

75 See Bauerly, The Agrarian Seeds of Empire.
76 Gerstle, Liberty and Coercion, 195.
Progressive Era and interwar years experienced a historical transformation as both business and the state pursued more central, managerial planning and public-private cooperation. In these “organizational” and “associative” revolutions “power shifted to bureaucracies and organized interest groups.” And NEF exported and tested this political-economic pattern in the Near East.

NER leaders and its outside experts were steeped in these progressive ideals and methods of practical education and scientific agriculture—administered by a complex state-private system—so they turned to this model in trying to improve rural areas of the Near East. A key leader of the Country Life Movement, Kenyon Butterfield, was on the NER agricultural advisory board as well as its survey committee and staunchly promoted agricultural education in the Near East. NEF publications quoted Liberty Hyde Bailey in describing its ideals of rural reform. NEF survey members also drew direct comparisons between their experiences with philanthropic practical education for African Americans and transplanting rural reform among the diverse peoples of the Near East. One report declared that NEF “is transmitting the practical experience by which America has solved rural problems similar to those which perplex the Near East today.” They saw in the over 130,000 orphans that NER had raised a perfect laboratory to test whether the American progressive political economy of food could be transplanted to thrive in another culture.

Several NER and NEF leaders were products of the agricultural reform system in the US as were many of its overseas workers. Allen studied agricultural science at Cornell and graduated

79 Ibid., 5.
with an MA and PhD from Rutgers, both land-grant schools with strong agricultural science programs. In 1928, he resigned from Rutgers to create his model of rural extension in Greece and later became NEF Educational Director overseas. He consciously based his work on Knapp’s extension system. A USDA observer later noted, “Although Dr. Allen and members of his staff drew heavily upon the experiences and lessons learned in developing and operating the Extension Service in the United States, they were wise in not trying to superimpose an extension structure similar to ours. Their approach was first to understand the cultural patterns of the people and the physical and economic resources of the area. With this background, the peasant’s problems could be understood, and programs for action formulated.” Acheson dubbed NEF’s new mission as “University Extension Work in the East.”

Morgan led the survey of agricultural needs for NER and was the key proponent of NEF importing American-style rural extension into the Near East, citing the Smith-Hughes model of vocational education from the US. He earned his PhD from Cornell and was the first director of the New York State School of Agriculture before becoming a professor of agricultural extension at Columbia University. In 1913, the YMCA had appointed Morgan the head of the “Commission on the Country Boy Leaving Home,” studying rural outmigration in the US, in which he argued for the critical role of philanthropy in rural reform. Allen recruited Clayton

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83 Barclay Acheson Diary, January 7, 1927, page 33, box 3, folder 27, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
84 Barclay Acheson Diary, May 18, 1927, page 98, box 3, folder 27, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
85 “Ora Morgan Dies; Farming Expert: Ex-Professor of Agricultural Economics at Columbia,” New York Times, August 16, 1961; “For Country Boys In City: Y.M.C.A. Appoints Committee to Study Their
Whipple, a Cornell graduate and New York supervisor of agricultural extension, to expand agricultural demonstration programs in Greece to 54 villages. Dr. Ralph H. Allee directed NEF’s Rural Life School in Albania and graduated from California’s land-grant university and later Cornell’s agriculture programs. Cornell’s College of Agriculture sent a steady stream of its graduates to work with NER and more so under NEF. Bailey had helped found the college just after the turn of the century. NER accounts are littered with descriptions of other experts brought in from dozens of American agricultural colleges and state extension services. Governor Henry Allen of Kansas visited the NER Farm School in Armenia and praised the “graduates of first-class agricultural colleges who are teaching in that ancient land modern agriculture and stock breeding.”

In addition, several NEF leaders were veterans of educational and philanthropic efforts to improve African American and Native American education and socio-economics. Jones, a sociologist and educator, had been Educational Director at the Phelps-Stokes Fund advising government agencies and universities and conducting research on education for African Americans and Native Americans. He believed that practices used in the American South with African American practical education were directly applicable to the issues of interracial societies living in poverty in the Near East. In his *Twenty Year Report of the Phelps-Stokes Situation,* New York Times, April 23, 1913; Edward Marshall. “Protecting The Country Boy from the City's Perils,” New York Times, September 28, 1913.


For example, see the Cornell Countryman issues from 1934 to 1937, https://catalog.hathitrust.org/Record/005680179/Home; Near East Foundation, 9.


Fund (1911-1931), Jones cited the keys to success in backward regions being based on science, a deep understanding of socio-economic context, and “learning by doing.”91 Jones was the key mover behind the agricultural and rural reform focus of the new NEF, arguing for remaking the Near East with philanthropy as the GEB had attempted in the American South.92 Dillard, another survey member, had directed the Jeanes Foundation, otherwise known as the Negro Rural Schools Fund, and the Slater Fund for the Education of Freedman. Their programs for embedding teachers in rural African American schools inspired a program for Palestinian Arab teachers operated by NEF and the American University of Beirut. NEF modeled its education programs on the vocational and agricultural programs of the Hampton and Tuskegee Institutes, equating the needs of the Near East with racial minorities in the US.93 Acheson said that experiences with “negro education” in the US and colonial experiences in the Philippines had directly shaped NEF programs.94

NEF Launches into Development Aid

Dedicating itself to a new mission in agricultural development, NEF built its work on these decades of American agricultural reform and the sturdy foundation of NER’s programs that began in the 1920s to teach its orphans practical vocational skills suited for their rural lives. NER taught its orphaned boys to farm and in the skills required to support rural life such as carpentry, well-digging, and animal husbandry. Girls learned home economics and nursing.95 The

92 Daniel, America Philanthropy in the Near East, 194, 197.
94 Rodogno, “Beyond Relief,” 57.
organization introduced improved agricultural methods including better seeds, better cattle, and some mechanized tractors. In 1925, NER’s Frank Ober described two American agricultural college graduates teaching farming to 1200 orphan boys on a 16,000-acre farm in the Caucuses “with American tractors, tools, seed, sense and experience.” NER had demonstration farms in Greece growing vegetables and learning animal husbandry from cattle and poultry stock donated from the US and Europe. Charles M. Schwab donated “fifteen aristocratic pigs” and Henry Morgenthau, Jr. sent a prize bull, along with other specimens from agricultural experiment stations in New York and New Jersey.

NEF expanded past orphanage-centered education to instructing entire rural communities in improving agriculture, home economics, sanitation, health, and general rural life. NEF called the umbrella term for its new agenda the Rural Life Program and considered it the backbone of its mission overseas. The new focus on rural community development adapted and applied “such American methods as Smith-Hughes, Smith-Lever, and 4H club work.” Demonstration projects emulated US extension programs and the concept of “Self Help” in teaching local people long-term skills. In pioneering a community development mission, the NEF philosophy of “philanthropy for backwards peoples” rejected large technical projects requiring intensive capital investments in favor of grassroots efforts at the village level. The first Rural Life Programs operated in Greece, Macedonia, Albania, Bulgaria, Cyprus, Palestine, and Syria. Most

99 USDA, *Daily Digest* 25, no. 6 (April 7, 1927): 3.
100 NEF, *Near East Foundation*, 4-5.
work emanated from a rural life school which taught practical agricultural science to boys and home economics to girls. From these schools, demonstration programs went out to surrounding villages to teach local farmers and housewives on their farms. NEF workers introduced modern farm methods, seeds, fertilizers, and mechanization. Modeled after the burgeoning field of home economics in the US, it also sought to remake rural home life. NEF home demonstration workers trained farm wives in cooking, canning, nutrition, sanitation, childcare, and basic healthcare. NEF also created model homes on its demonstration farms to show improved and economical methods for sanitary latrines, wells, screened windows, whitewashed walls, and flooring. As infant mortality particularly began to plummet, groups from across the Near East and Africa approached NEF for assistance.

NEF tried to temper and adapt the export of American practices abroad—at least advocating for taking local conditions into account in transplanting American rural reform—even if they could not control the eventual outcomes of development. Acheson argued that:

One of the deepest convictions we have is that there is a vast distinction between the imitation of American institutions, whether they be political, social or financial, and an institution adapted to native needs. . . . We do not expect oak trees to grow where palm trees belong. In the same way, we should know in advance that successful social, as well as governmental, institutions in the Orient must be true expressions of the nature and traditions of the races they are to serve. We attempt to foster and stimulate the growth of the races themselves, avoiding the attitude and deportment of the quack doctor approaching a backward community with a patent medicine that he claims to be a panacea for all human ills. We strive above all things to suppress any evidence of a superiority complex that so frequently results in stirring up antagonism.

However, as was the experience in the US, once the genie of technological development was unleashed, it was hard to put back in the bottle. In teaching local farmers to produce food for

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102 Near East Foundation, 30-35.  
profit beyond subsistence, economies of efficiency and scale often eclipsed attempts to maintain small-farm ideals. NEF faced the challenge of balancing “Farming as a way of life and farming as a productive industry,” the same problem that bedeviled political leaders in the US and was concurrently exacerbating the Great Depression.105 But NEF in this period nevertheless believed it could improve political-economic solutions for food production to improve rural life—to transform it for farm families and consumers alike—while not obliterating the family farm.

The most significant aspect of NEF’s new mission in exporting the politics of the American political economy of food was in pioneering partnerships with host-nation governments. In contrast to previous missionary work that generally avoided political entanglements, NEF based its work on the cornerstone principle that “every Project is a partnership. . . . In no areas does the Foundation introduce a project without the assurance of local official support.”106 NEF projects were undertaken in conjunction with regional or national government entities so that they would eventually be taken over wholly by indigenous bureaucracies for permanent “incorporation into the life of the country.”107 Acheson declared that “where in the past [what] we did was palliative what we are now doing on a demonstration basis is permanently curative. . . . Instead of building up American institutions that must be carried on in perpetuity we are setting up demonstrations in cooperation with the leaders of the country in a way that leads Inevitably to their complete support and expansion to the boundaries of the country at the expense of the governments themselves.”108

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106 Near East Foundation, 4-5.
108 “Notes concerning work of Near East Foundation for Dr. Ober, January 30, 1934,” page 2, box 3, folder 17, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
Several Near East governments had encouraged NER to stay in the region and enthusiastically took up these new partnerships with NEF in agricultural development and economic development. Acheson argued, “The Turks, the Greeks, the Arabs and the Persians are no longer willing to be classed as savages or cannibals, nor are they willing to be the recipients of our condescending philanthropy and missionary enterprises. On the other hand, they are fully conscious of the value of the improved, commercial, political and educational methods of the west and will respond eagerly and enthusiastic ally to a spirit of co-operative helpfulness.”

NER leader Barton said,

These governments, especially the Soviet government of Russian Armenia and the Greek Government, are eager to have the work continue, even after the wards have been adequately placed. Albania and Bulgaria, as well as Syria, have made representations to the Committee, assuring it of every possible cooperation . . . especially for the development of modern agriculture under modern methods of cultivation. All of the governments, throughout the Near East, are urging the organization to continue its operations, not as emergency relief, but as a constructive Board cooperating with the government in its desire for modern social, economic, educational and moral advance.

With years of NER operations behind it, NEF expanded upon its unique access and influence with Near East governments. Host-nation leaders and other elites trusted that NEF had developed a “body of experts on the Near East” who were uniquely placed to address social, economic, and other challenges. Barton thought, “They recognize that the relief organisation has had no ulterior motive in all of its operations—that its work has been benevolent, charitable, helpful and Christian, looking to the best interests of the people in the countries in which the work has been carried on.” Barton thought that “enlightened leaders” welcomed the

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109 “Speech Made at Board of Trustees Meeting, January 18, 1927,” page 11, box 3, folder 27, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
110 Board of Trustees Minutes, February 6, 1930, page 8, box 1, RG 2, FA 1305, NEF Records, RAC.
“disinterested” NEF experts and wanted to cooperate with them in improving their people’s lives.111

NEF and their host-nation partners could also capitalize on the tens of thousands of boys and girls who had grown up in NER orphanages to serve as the seedbed of future local leadership. These young people “were not hampered by the paralyzing traditions of their fathers” and so were considered more prepared to lead “Western and progressive” societies. These former orphans were “ready instruments to be used in moving the entire country toward a higher economic and social life.”112 Acheson wrote, “It is a favorable environment because we have 132,000 children there—eager, willing and trained for leadership. . . . We also have governments that are not simply friendly but actually asking for our cooperation. If there ever was a time and a place where such an experiment could be carried out advantageously, it is in the Near East under existing circumstances. We do not have to tell them we are not proselytizing. We do not have to tell them we are against commercial exploitation. We have been there for ten years end have proved, our responsibility. The leaders of the country and the governments are entirely on our side, full of confidence and. inviting us to cooperate with them.”113 Agricultural and other vocational education would form the cornerstone of developing these “backward” rural areas through scientific agriculture and social engineering.

Across the Near East, NEF expanded its ties with local governments as it worked to embed American practices into the political economies of the region. In Albania, NEF operated the Albanian-American Institute at Kavaje training farmers in the modern and more intensive

111 Board of Trustees Minutes, February 6, 1930, page 8-9, box 1, RG 2, FA 1305, NEF Records, RAC; Rodogno, “Beyond Relief,” 60.
112 Board of Trustees Minutes, February 6, 1930, page 9-10, box 1, RG 2, FA 1305, NEF Records, RAC.
113 “Notes concerning work of Near East Foundation for Dr. Ober, January 30, 1934,” pages 1-2, box 3, folder 17, series 12: Barclay Acheson Papers, RG 1, NEF Records, RAC.
methods of agriculture. King Zog and his cabinet worked closely with NEF leaders to modernize his rural and poor nation through agricultural training for boys and education for girls. He donated 700 acres to NEF and allowed programs to operate tax free. The NEF school acted as a base for extension work into a “zone of influence” spreading extension work to rural communities in the area.\textsuperscript{114} It functioned as a quasi-state-sponsored entity after 1933 when Zog nationalized all foreign schools, granting only the NEF school a special status. NEF also hosted Zog’s sisters in New York, cultivating a close relationship with the Albanian king which played into later Cold War efforts to subvert Soviet influence in Albania.\textsuperscript{115} Declassified CIA files describe how the US worked with the exiled pro-American Zog to undermine the Soviet-dominated regime of Enver Hoxha after WWII. Under the codenames OBOPUS and then BGFIEND, these covert operations took place from 1949 to 1958. Zog volunteered to support western efforts by supplying Albanian infiltrators which became known as “Zog Teams” operating inside Albania and providing intelligence. The CIA lobbied hard to grant Zog asylum in the US for his services.\textsuperscript{116} This is just one example of the unique influence philanthropic groups had in these countries which could later be leveraged by the US state.

NEF viewed their extension and demonstration work as pilot projects meant to convince host-nation governments of their efficacy so that they became embedded in those countries’ bureaucracies and civil life. Much of the emphasis was therefore on training a cadre of native technicians to continue the work.\textsuperscript{117} It operated the Institute of Rural Life in conjunction with the American University of Beirut to teach agricultural science in the Levant. It ran the Talabaya

\textsuperscript{114} Near East Foundation, 14-16.
\textsuperscript{117} See Allen, \textit{Rural Reconstruction in Action}. 107
Instructional and Experimental Farm in Syria and the Kadoorie Agricultural School at Tulkarem in the West Bank. NEF and its trained extension workers then farmed out from these institutions to conduct demonstration programs from Syria to Egypt. Similar programs operated in Turkey, Macedonia, Bulgaria, and Greece.118 As Near East nations began to establish extension services, these technicians often became the first civil servants. Many other programs were similarly incorporated into the various ministries of education or agriculture in their respective countries.119

In another example, in 1935 Allen pushed the Greek government to incorporate the extension programs into their Ministry of Agriculture.120 Greece designated the Verra-Edessa region a national demonstration area, and in 1937 the Greek Ministry of Agriculture incorporated the indigenous NEF technicians into its civil service ranks. New legislation vastly expanded its nascent Greek agricultural extension service into a national program, and the government chose Basil Moussouros, Allen’s Greek assistant, to head the new bureaucracy.121 In 1938, Albania inaugurated its first agricultural extension service with a half of its new extension agents trained by NEF.122 It was, however, taken over by Italy when Mussolini invaded the next year, and NEF staff quickly left the country. Nearly the same scenario played out at NEF’s agricultural school in Bulgaria.

NEF’s work in building state capacity in agricultural extension and education in these countries also prodded expansion of foreign bureaucratic capacities in social welfare beyond the

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119 Ibid., 21-29.
120 Daniel, America Philanthropy in the Near East, 207-208.
121 “Current Items from the Foreign Field, January 1938,” page 33, box 3, RG 2, FA 1305, NEF Dockets 1938, NEF Records, RAC; Allen, Cover Over into Macedonia, 272-279.
122 “Meeting of the Board of Directors, Near East Foundation, February 7, 1938,” page 13, box 3, RG 2, FA 1305, NEF Dockets 1938, NEF Records, RAC.
political economy of food. Several NEF programs and institutions supporting neglected children, the blind and deaf, or those disabled by disease or injury were soon transferred to host-nation bureaucracies so that NEF could focus on agricultural development.\(^\text{123}\) The NEF school in Syra, Greece was taken over by the government to become the first polytechnic in the region which also maintained a program to support neglected youth.\(^\text{124}\) Acheson declared that “governments are told that it is their business to take charge of sub-normal children.”\(^\text{125}\)

Part of NEF’s influence on the politics of the region was also in importing aspects of western-style civil society into rural areas of the Near East. In 1933, NEF worked with the Greek government to form local Future Farmers of Greece chapters as corollaries to the American youth clubs. These clubs were modeled on the American youth corn clubs started during the Progressive Era and also the Future Farmers of America groups that began to organize in the 1920s. Whereas civil society existed in Near East urban areas, it was nearly nonexistent before NEF efforts in this period.\(^\text{126}\)

NEF’s programs in Iran were those that the Truman administration later touted as a Point Four model for how American voluntary agencies gained useful access to foreign governments. During the war, the Shah invited NEF to begin a community development project among villages in the Varamin Plains. The project was postponed until 1946 when NEF established an agricultural school teaching young men modern methods of farming and sent them out to do demonstrations in neighboring villages. The program began in five villages centered on the village of Mamazon, 25 miles southwest of Tehran. The Shah agreed to some land reform

\(^{124}\) Daniel, *America Philanthropy in the Near East*, 190
whereby tenant farmers could work the same plot of land each year, which promoted their acceptance of fertilizers on the land. This comprehensive community development program included home construction, girls’ education, and home demonstrations in sanitation and health. It eventually encompassed 360 villages.127

However, NEF relations with foreign governments were not always successful. NEF continued NER operations in the Caucuses until it became untenable under Stalin’s changing policies, and it shut down its operations there on March 31, 1931. NEF’s Foreign Director Laird Archer told the State Department that the Soviets were working to make NEF a proxy for its Five-Year Plan and an apparatus of the state. Several Russians working with NEF were executed.128 As noted, several NEF programs shut down in Albania and Greece due to occupation during WWII. In Syria, the political and ethnic strife and nationalist agitation against the French mandate diminished the reach of NEF programs into the permanent life of the country. Despite the mandate, Lebanon was a more successful case, and its Agriculture Department named an NEF-trained leader, Halim Najjar, to start the first farm marketing cooperative in 1937.129

Trust in NEF’s work also translated into influence with American donors. With the many years of NER publicity highlighting the plight of the poor in the region, NEF leveraged its strong brand recognition with the American giving public to take over much of NER’s donor base. Barton said that “the organisation has kept absolute confidence with this public” and that “there is a conviction that this same public desires and expects that the fifty or sixty thousand children

128 US Department of State, “861.48: Calamities, Disasters, Refugees,” page 6-9, series: Central Decimal Files, RG 59, NARA II.
whom the organisation has trained shall be given a chance to use what they have already received in leavening the society in all of the countries of the Near East where they are located.”\textsuperscript{130} As Vickrey had argued a decade before, Acheson thought that: “People are naturally and rightfully interested in Bible Lands.”\textsuperscript{131} Even during the Depression, many Americans continued to give. One account noted that despite their own family’s hardships, their father still “wrote checks for lepers in Nigeria and for the Near East Foundation to help the starving Armenians. Once, a Near East representative, encouraged by occasional checks, appeared unannounced at our house to solicit further funds. He beat a hasty retreat when he saw the threadbare rugs.”\textsuperscript{132}

In addition to working to embed the political economy of American agriculture abroad, NEF engaged in the politics of supporting the political economy of food at home. The previous chapter shows how NER worked with farmers, food industries, and a complex network of the congressional farm bloc, farm lobbies, and others to offload the agricultural surplus that was depressing US farm prices. Senator Capper, head of the farm bloc, continued to lead the NEF Agricultural Advisory Committee which worked with farm interests in the US. However, NEF urged its Near East partners to buy the bounty of American agriculture rather than just taking the surplus for free. Archer summed up the issue: “When considered in terms of the 57,000-farm people in one of our Macedonia projects alone, or in terms of the 36,000,000 population of the Near East, the question of building up earning and buying power takes on some importance . . . if

\textsuperscript{130} Board of Trustees Minutes, February 6, 1930, page 10, box 1, RG 2, FA 1305, NEF Records, RAC.
\textsuperscript{131} “Notes concerning work of Near East Foundation for Dr. Ober, January 30, 1934,” pages 1-2, box 3, folder 17, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
we can stir up ‘something to use for money’ elsewhere in the world, we might be able to sell
again some of what we can't eat ourselves and the Near East might go hungry less often.”

NEF leaders also had the goal of creating markets for the abundance of American
agribusiness products such as seeds, fertilizer, farm implements, and tractors. Like Archer, they
argued that the overall buying power of Near East people would increase as their farms became
more prosperous. As the Country Life Movement and other rural reform efforts in the US wanted
to industrialize food production in the US to support cheap food while increasing living
standards for farmers, NEF leaders had the same aims abroad. At the NER Survey Committee
meeting in 1927, Acheson noted that “the production of the villagers must be increased in order
that their capacity for consuming factory made products may be increased.” Acheson later
wrote that NEF wanted to pull Near East rural people into the middle class: “This higher level
means increased purchasing of rat traps, flash lights, Jack knives, automobiles—everything that
mechanised [sic] industrial countries are able to produce.” NEF convened a conference in
Salonika in 1932 to share ideas for increasing agricultural output and therefore the buying power
of Near East populations.

NEF also pioneered other programs that brought the methods of the market to its
philanthropic mission. In 1923, NER had started Near East Industries, a profit-making business
to support Near East women and children modeled on Goodwill Industries programs in the

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133 Laird Archer, Foreign Director of NEF, in a letter to a Kansas newspaper, “Economics in Greece, ”
_Iola Daily Register_, November 22, 1934, 9.
134 Barclay Acheson Diary, May 19, 1927, page 99, box 3, folder 27, series 12: Barclay Acheson Papers,
RG 1, FA 406, NEF Records, RAC.
135 “Notes concerning work of Near East Foundation for Dr. Ober, January 30, 1934,” page 3, box 3,
folder 17, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
US. \textsuperscript{137} NEF expanded these programs in which women and girls produced needlework and handwoven raw silk made into luxury goods by working in NEF centers and in nearby refugee camps. These wares were then sold to tourists visiting its Near East facilities or in NEF’s boutique on 5\textsuperscript{th} Avenue in New York. This cottage industry employed over 10,000 women and girls in 1931. It also had other political-economic impacts in the area as local businesses sought NEF’s advice on better production and business practices to increase their own margins and to compete in western import markets. \textsuperscript{138}

As a corollary to Near East Industries, NEF promoted a type of philanthro-tourism—using what Acheson called “tourist cultivation”—to bring visiting westerners to observe its programs in order to spur more donations and publicity. \textsuperscript{139} Asked about the need to cultivate tourists, Acheson answered that “if people returning to America said that the work was useless and valueless, our funds would disappear in six months.”\textsuperscript{140} Leaders discussed turning an NER building in Athens into a “show place” with a “blind school, deaf mute school and about 200 selected boys receiving intensive elementary education” so “that a favorable impression will be made on tourists.”\textsuperscript{141}

**NEF and the New Deal**

In the 1930s, while NEF dealt with the deprivations caused by the last war abroad, political leaders in the US were still dealing with the abundance at home generated by the war and by the same agricultural practices that NEF was trying to introduce in the Near East. When

\textsuperscript{138} *Near East Foundation*, 47-48.  
\textsuperscript{139} Barclay Acheson Diary, June 1, 1926, box 3, folder 25, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.  
\textsuperscript{140} Barclay Acheson Diary, n.d., page 29, box 3, folder 25, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC  
\textsuperscript{141} Barclay Acheson Diary, May 21, 1927, page 110, box 3, folder 27, series 12: Barclay Acheson Papers, RG 1, FA 406, NEF Records, RAC.
FDR suggested that Wilson observe NEF operations in Greece in 1938, the President had some familiarity with its many years of work, having served on the NER Board of Trustees in the 1920s. As noted, Wilson came away impressed with how NEF was piloting American-style agricultural extension in foreign lands. Later, he also recognized that NEF pioneered what he and others in the USDA came to call community development in late New Deal agrarian programs. Although there is no record that NEF directly influenced these late New Deal programs in rural community development and collective agricultural planning, its work certainly paralleled the solutions pursued by USDA leaders in the late 1930s. Despite NEF’s goal to bring American scientific agriculture and rural development to the Near East, it took pains to introduce it in grassroots programs embedded in local communities. NEF promoted technical progress but believed that it could manage the pace of agricultural and rural development for the good of those societies. Wilson and his group of agrarian reformers in the USDA were attempting to do the same thing in the late 1930s in order to make middle-class family farming viable in the face of tectonic shifts in the political economy of food. In this way, the politics of the political economy of food mirrored itself in both domestic and international programs during this period, before being catapulted onto a wider international stage with rural community development becoming a cornerstone of foreign policy under the Truman administration.

Wilson’s history particularly illuminates how American efforts to reform agriculture through tripartite state, business, and philanthropic activity flowed back and forth from the US to programs abroad and then back again in circuitous routes in which food philanthropy played an

142 Although the position of trustee was largely symbolic, FDR had sporadic contact with NEF leaders, see OF 912: Near East Foundation, 1933-1944, Series: Franklin D. Roosevelt President’s Official Files, FDR-FDRPOF, National Archives, Hyde Park, NY; see also Barton, “Near East Relief Consummated,” 23; Board of Trustees Minutes, 1919-1944, box 1, RG 2, FA 1305, NEF Records, RAC.
important part in all stages. Born in Iowa in 1885, Wilson moved to Montana as a young man to farm dryland wheat, and he became the state’s first county agent. He watched its farmers lose their farms with depressed farm prices and drought after 1920 and decided to pursue graduate studies at the University of Wisconsin, returning to Montana State College to serve as its first extension agricultural economist. Head of the USDA’s BAE Taylor visited Montana in 1923 and was impressed by Wilson’s research and practical studies in economizing farm management. Taylor proposed that Wilson head his new idea for a philanthropic corporation for “capital to flow into agriculture in such a way that it would promote the family farm and family farm ownership.”

As noted in the previous chapter, Taylor had warned that the USDA was becoming more concerned in the 1920s with providing cheap food for workers than in supporting the family farm. He had already floated the idea to Ruml, who then headed the Laura Spelman Rockefeller Foundation. Ruml asked John D. Rockefeller, Jr. to invest in the new venture. Wilson recounted that “Dr. Taylor had thought that this might be called the ‘Fairway Farm Corporation,’ because this was a fair way in the field of relationships between owner and tenant and a fair way for capital to go into agriculture—in such way that it would promote ownership and family farming and not absentee ownership or capitalistic farming.” Taylor brought Wilson to Washington to consolidate BAE offices dealing with farm management and to simultaneously manage the Fairway Farm nonprofit corporation in Montana. Fairway Farms operated a philanthropy with the backing of Rockefeller, the USDA, as well as Montana extension services, its land-grant college, and local farm organizations.

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With Fairway Farms, Wilson experimented with optimizing farm management to best help farmers climb the “agricultural ladder” from tenancy to ownership. Fairway Farms operated eight test farms in Montana to determine what methods—size of farm, irrigation, farming techniques, mechanization, seeds and fertilizer—could best to enable a tenant wheat farmer to successfully own and operate his own farm. The goal was to make the farm not only productive, as had been the goal in the political economy of food for years, but also how to ensure farmers could survive as small businessmen living comfortably in the middle class. Tenant farmers operated farms under purchase contracts and were supported by the Montana experimental station and extension service. A decade later, these tenant purchase contracts “established a basic principle in security in tenure for the Farms Security and the Farmers Home Administration” under the New Deal.\footnote{Wilson and Albertson, \textit{Reminiscences}, 478.} However, the test farms could not get the cost of producing wheat low enough to make a profit because depressed prices and drought continued to plague Montana farmers. But Wilson continued to believe that scientific farm management could be married to land-tenure reform to support the family farm.\footnote{Gilbert, \textit{Planning Democracy}, 52.} He also became convinced that state, business, and philanthropic programs needed to work together to increase farm commodity prices.\footnote{Bell, “M. L. Wilson,” 1187.}

In 1928, Harold Ware, the American Communist agricultural expert, visited Wilson in Montana to convince him to travel to the Soviet Union to help authorities there set up tractor farming on a massive collectivized wheat farm in the north Caucasus. Wilson was encouraged by his friend Andrew Legge, head of International Harvester, to observe Soviet methods and to try to help the company collect the bill for the Soviets seizing its manufacturing plant in Moscow—Legge even offered to give Wilson half the profits. Wilson accepted and the Soviets paid him...
$1500 a month to spend five months in the Soviet Union advising them on technological innovations and efficiencies for large-scale farming. Wilson was fascinated by the project but took the lesson home that farm management had to be from the bottom up and not top down.\textsuperscript{149} In 1933, Wilson took this bottom-up vision with him when asked to join the USDA where he quickly moved up to become Undersecretary by 1937.\textsuperscript{150}

Wilson observed that even during the Depression farmers continued to create large surpluses, but these were increasingly produced by fewer farmers. Small producers were pushed off the land while banks and richer farmers snapped up abandoned properties. Banks became landlords and gave credit to those farmers using modern practices which favored more prosperous farmers. Agribusiness harnessed research to sell better seeds and fertilizers, and it improved farm mechanization using better spare parts’ distribution and repair technicians. In a time of widespread destitution, the long-standing imbalance of providing cheap food while providing a living to farmers only worsened. Farm ownership was precarious as was the lure of rural life. Depressed farm economies further lowered living standards for rural families, making them appear even more “backwards” than previous generations. The abundance of food was a cruel irony in this time of deprivation. Ware argued, “Thus mechanical progress inevitably trips over the contradictions of capitalism, a system which has developed the machinery of farm production but has provided no solution for its rational operation by small farmers.”\textsuperscript{151}

New Deal policies of offloading farm surplus or providing parity, loans, or other support to farmers were not enough to fix the political economy for these producers. Roosevelt’s agricultural advisers sought ways to manage the fallout over abundance that the system had

\textsuperscript{149} Wilson and Albertson, \textit{Reminiscences}, 478.  
\textsuperscript{150} Bell, “M. L. Wilson,” 1186-87.  
\textsuperscript{151} Harold Ware writing as George Anstrom, “The American Farmer” (New York: International Pamphlets, 1932), 25.
produced. Like NEF, they were not trying to put the technological genie back in the bottle but sought ways to balance the conflicting needs between producers and consumers in the political economy of food. While big programs dominated in the early new Deal—rural electrification under the Tennessee Valley Authority, the Agricultural Adjustment Act of 1933’s efforts to boost farm prices, and many other programs—Wilson and others concentrated in the BAE in 1938 turned to more grassroots efforts focused on rural community development. Wilson, as undersecretary of agriculture, was joined by his boss USDA Secretary Henry A. Wallace, BAE’s new head Howard R. Tolley, economist Bushrod W. Allin, and rural sociologist Carl C. Taylor.152

Men like Wilson, Wallace, Tolley, and Taylor had been steeped in the same state-private agricultural system as had been NEF leaders, and they seemed to take away many of the same lessons for how to reform political economies of food and rural life.153 Like NEF they eschewed what some scholars have called “high modernization,” with strong statist and centralized programs, in favor of the “low modernization” political-economic planning managed at the federal level but with participatory planning pushed down to local level and incorporating rural community development programs that groups such as NEF were pursuing.154 Scholars have painted Wilson as a technocrat using his economist’s lens to advocate for rationalizing agriculture and using technology to achieve maximum efficiency.155 But others have argued that Wilson and fellow “agrarian intellectuals” were actually low modernizers advocating modern practices but in the context of supporting family farms and democratizing planning at grassroots

152 See Gilbert, Planning Democracy.
153 See Richard Kirkendall, Social Scientists and Farm Politics in the Age of Roosevelt (Columbus, MO: University of Missouri Press, 1966).
154 See again Scott, Seeing Like a State.
155 See Fitzgerald, “Accounting for Change.”
levels to manage production. It is this latter interpretation of Wilson that closely resembles what NEF was trying to do in the Near East during the same period. The same year that Wilson visited NEF’s operations in Greece, the USDA advanced programs that some scholars have dubbed the “Third” or “Intended” New Deal” which was more grassroots and leftist than earlier New Deal agrarian reforms.  

In 1937, Congress authorized the administration to establish the Farm Security Administration (FSA) to provide credit to farmers and combat rural poverty. In 1938, Wilson and Wallace also pushed through programs in county land-use planning and community development programs run by the BAE. Wilson advocated for agricultural planning at a grassroots level to manage what he called the “pushing out and releasing farmers at the margins” that resulted from the “process of reorganization of agriculture” that the agricultural revolution had wrought. “Planning was to be done cooperatively, between the Department of Agriculture—particularly the Bureau of Agricultural Economics—and the Land Grant Colleges. The educational process was involved in it. The Extension Service was involved in it. And the democratic processes, in relation to participation and consultation in making plans and so on, also was injected into it.”

Wilson promoted “democratic planning” to give farmers a voice in how to manage the impacts of the agricultural revolution. Wilson and his cohort wanted to get more support to poorer farmers, although they believed there were still too many farmers in the industry. They saw the

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157 Wilson and Albertson, Reminiscences, 1819.
power of the AFBF, which primarily represented wealthier farmers, and that those left out of the industrial agricultural boom were marginalized due to a decline in agrarian democracy.\textsuperscript{158}

Late New Deal programs had the goal of “an adequate income for agriculture” but Wilson and the BAE also wanted to change the cultural milieu of rural America. They wanted to develop rural America in the same way NEF was trying to remake rural life in the Near East. He argued for a “cultural approach” in which “reform in agriculture must grow from the ground up and be built upon the solid rock of democratic opinion. It must answer the desires of farm people, and they must determine its form.”\textsuperscript{159} Intellectual stimulation for rural communities must be included. Wilson argued that “the colleges, however, had stressed the sciences at the expense of cultural education,” so Wilson pushed the land-grant colleges to offer rural people education in the “philosophy of farm life and social studies.”\textsuperscript{160} Just as NEF tried to temper the pace of rural change and make it fit into the transplanted cultures abroad, so too did Wilson and his cohort in trying to make industrial farming community-friendly and democratized in the US. Between 1938 and 1942, over 200,000 rural men and women served on community committees that “adapted and coordinated” New Deal agrarian programs throughout the US.\textsuperscript{161} Farmers, extension services, and agricultural educators, economists, and sociologists planned their own solutions for their own localities—for their crops, soil, climate, and perceived cultural conditions. They married this with community development and education programs similar to NEF focused on improving rural life and making more comfortable lives for farm families. These plans could not stave off the industrialization of farming the US but sought to better serve

\textsuperscript{158} See Grant McConnell, \textit{The Decline of Agrarian Democracy} (NY: Atheneum, 1953).


\textsuperscript{160} Harry Carson McDean, “M.L. Wilson and Agricultural Reform in Twentieth Century America” (PhD Dissertation, University of California, Los Angeles, 1969), 485.

\textsuperscript{161} Gilbert, “Agrarian Intellectuals,” 231.
the needs of producers. However, conservatives attacked these programs as collectivizing agriculture, and in 1942 Congress ended funding for these programs run by the BAE and gutted funding for the FSA. This grassroots movement only lasted a few years, but after the war these BAE agrarian intellectuals then exported their ideas back overseas in postwar reconstruction and Point Four programs.

After World War II, NEF and other relief agencies worked with the Commodity Credit Corporation (CCC), a New Deal federal corporation established in 1933 to stabilize, support, and protect farm income and prices. The CCC, both then and now, helped US farmers and food industries through commodity and farm storage facility loans, purchases, and income support payments. Adopting the widely accepted philosophy of the cooperative movement, but adding the power and financial resources of the national government on an unprecedented scale, the CCC attempted to raise farm prices on storable commodities by removing the surplus from the market when prices fell below certain levels. Their efforts could take byzantine forms to support American food producers. For example, after WWII, the CCC engaged with the Mexican beef industry in order to protect American cattle producers from losing access to cheap yearlings due to foot-and-mouth disease from south of the border. Mexican cattle—which normally came north to be fattened by American cattle producers—were banned from the US while the two countries worked together to eradicate the disease. To ensure the Mexican cattle industry stayed viable from 1947 to 1950, the CCC bought canned Mexican beef and sold it to NEF and other voluntary agencies to feed hungry populations globally. The Mexican plants canning the beef were financed partially by the US Import-Export Bank, another New Deal agency created to help US. commodity flows. New Deal initiatives served as conduits for American farm products

well after the war. These state-private efforts to export surplus food only became more complicated by the mid-twentieth century as the US state took up NEF’s vision of agricultural development abroad.

**NEF and Point Four**

When Harry Truman announced his Point Four program for American development aid in 1949, he and his aides frequently cited the work of NEF, particularly in Iran, as an inspiration and a model for how to carry out its programs. In 1950 in a speech before the annual convention of the American Newspaper Guild, Truman argued that poor economic conditions in the world were the “seed-bed of political unrest and instability.” But the work done by the “American voluntary group” NEF in improving rural life in 35 villages in Iran would “be matched many times over, under the Point Four program.” In 1952, Secretary of State Dean Acheson discussed NEF’s pioneering role in rural development in “cooperative arrangement” agreements with local governments. He said these inspired the wartime Institute of Inter-American Affairs (IIA) *Servicio* model in Latin America during WWII, Point Four programs, and Nelson Rockefeller’s postwar philanthropic programs in Latin America. Early historians of philanthropy noted NEF’s significant influence in Point Four programs and that its trained leaders and specialists were critical to the US government being able to carry out this work.

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166 “Remarks by Secretary Acheson to the National Conference on International Economic and Social Development, April 9, 1952,” 9-10, Point IV Conference, April 8, 1952, series: David D. Lloyd's Presidential Speech and Message Files President (1945-1953: Truman); Collection HST-DDLWHF: David D. Lloyd White House Files (Truman Administration), NARA II; Curti, *American Philanthropy Abroad*, 606.
The Technical Cooperation Administration (TCA) was established under the State Department in 1949 and sanctioned by Congress in the Foreign Economic Assistance Act of 1950. The TCA contracted American NGOs to run its developmental aid programs in countries it deemed should get aid, programs primarily involving agricultural development and sanitation. Iran was the first country to sign a bilateral agreement with the TCA under Point Four in October 1950. Despite misgivings about being tied to a US government program, NEF was among the first voluntary agencies to contract with TCA. Based on its many years of experience in pioneering overseas development, the TCA cited NEF as “the organization which can be most helpful to them in developing further rural village project. . . . This illustrates very well how an American voluntary agency can be used in the field, both by the Government of the receiving country and the United States Governments.”168 In 1954, the State Department followed the lead of the USDA and NEF in creating a Community Development Division.169 Many NEF experts were also highly sought after by Point Four agencies as well as the UN. When the NEF contract with the Iranian government ended in 1957, the TCA’s successor organization the International Cooperation Administration (ICA) hired five of their employees, which was expected to create “substantial savings in money, time, and orientation.” The State Department also made Curt Spalding, NEF project director in Iran, the new State Department Food and Agriculture Officer in Tehran.170 These are but a few examples for the outsized influence of the NEF in this transformative period for food philanthropy.

169 Immerwahr, Thinking Small, 4, 140.
When Congress killed all funding for community development in the BAE in 1942, many of the agrarian intellectuals like Wilson realized that their vision for rural community development might best be accomplished overseas in the new Point Four regime. Wilson went on to advise the Ford Foundation in programs centering cooperative planning and community development, particularly in India. He also advocated for an international 4-H program. Tolley served as chief economist to the UN Food and Agriculture Organization (FAO) and then worked at the Ford Foundation. Several BAE economists followed him to the FAO. Carl Taylor moved to the ICA and then on to the US Agency for International Development (USAID). He also led the nonprofit International Voluntary Service (IVS), which along with the NEF, was the model for the Peace Corps. These agrarian New Dealers “ended their long careers abroad, working on land reform, rural development, and community development projects in places far removed from their native Midwest.”

NEF played a central role in the politics of the political economy of food by taking an American system of food production overseas to serve as the nascent model for transforming the political economies of food globally. And its history demonstrates how solutions for producing abundant food and making rural life comfortable flowed between domestic and international contexts as they were carried out by food philanthropy with significant state and business support for the rest of the century. As an example, by the 1970s both NEF’s and Wilson’s rural development ideas regained favor domestically. One agricultural economic study concluded: “Rural development programs, with roots in the 1930s, first appeared in a farm bill in the 1970 Agricultural Act, which was followed by the 1972 Rural Development Act, offering a broad

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range of services, loans, and technical guidance to rural communities adjusting to change.”

The search for solutions to the turbulence in the political economy of food wrought by scientific agriculture and disseminated by philanthropy, the state, and business continued unabated well past NEF and New Deal programs in the 1930s.

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Chapter 3

The Ultimate Growth Industry:
American Food Philanthropy in the Mid-Twentieth Century

“Because we are talking about the eleemosynary life and the need to get for nothing what others have to pay for.”¹ Harold Gauer of CARE

Figure 8. Pictures of East Indian farmers with their plows on the front page of the New York Times, 1954.²

In 1948 Harold Gauer became the Midwest regional director for CARE—the Cooperative for American Remittances to Europe.³ He came to the private voluntary aid world after selling soap and soda and dabbling in Milwaukee politics, the author of the 1946 “How to Win in Politics” with a dustjacket blurb by a young new congressman named John. F. Kennedy. In his memoir about his time at CARE, he said that he “understood that it was necessary to frighten

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³ In 1953, the E was changed to “Everywhere” then in 1993 the organization renamed itself the Cooperative for Assistance and Relief Everywhere.
people about death in order to sell life insurance. He had played that game. He knew that to sell
soap one had to make people feel funny about the odor of their sweat. . . . But how did one make
people feel guilty about the refugees going hungry in a cold and muddy camp on the other side of
the globe? Why should Americans help anyone overseas when there were plenty of one’s own
kind who needed food, clothing and medicine right down the street?”

Gauer realized that, despite the important cause he served, he still had to “sell” his
product to make midwestern Americans buy into CARE’s mission. The philanthropic
organization did not seek profits for investors, but it was a nonprofit business nonetheless—one
requiring capital, customers, and other resources to make it run. After WWII, the humanitarian
situation was dire in Europe and Asia, and voluntary agencies like CARE wanted to expand to
meet the scale of suffering. Their representatives in Washington DC set about building their
businesses by lobbying the state for agricultural surplus, free overseas freight, and government
aid contracts. Meanwhile in the hinterlands, CARE and others built their organizations by
marketing and networking with the vast web of American business, local governments, and civil
society. Gauer “would spell bind Kiwanians at their luncheons, eat at church suppers, consort
with religious figures, lecture to school children, and consort with labor porkchoppers, PTA
secretaries, industrial barons, haggle with printers, billboard salesmen and radio station program
managers”—all in the name of the “big time charity game.” According to him, without the
business savvy he had learned in the soda pop business and Milwaukee politics, “he’d never have
been able to do the CARE schtick.”

But Gauer was no cynic. He repeatedly lamented the challenges of getting Americans,
especially corporate donors, to spend money on helping people who desperately needed food

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4 Gauer, Selling Big Charity, 13.
5 Ibid., quotes on 22, 5, and 7 respectively.
overseas. He knew that Midwesterners wanted to give money to their community chests and Boy Scouts before they thought of the starving and destitute millions far away. If they wanted to keep helping those in need, organizations like CARE had to get creative in their business practices in both Milwaukee and Washington. The history of American food philanthropy during the mid-twentieth century shows that they did just that, engaging in the politics of the political economy of food to significantly influence public policy, meanwhile creating a huge new nonprofit sector of the American economy that today employs the third largest workforce in the nation, behind only manufacturing and retail.6

After WWII, voluntary agencies like CARE chose not to end their operations but instead worked with the state and a wide range of other actors to build a larger and permanent role for food philanthropy at home and abroad. The horrors of WWII greatly expanded the work of voluntary agencies, as it had in the previous war. But despite the postwar humanitarian crisis, many Americans returned to local concerns. As Gauer discovered, asking Americans to aid people far away required these organizations to become much more creative in finding support to continue operations. Meanwhile, the US government also needed to become more creative in dealing with a host of postwar domestic and foreign crises. Looking for better tools to alleviate chronic domestic food surplus, rebuild the global economy, and fight a new Cold War, the state recognized that voluntary agencies possessed unique attributes that could help. These groups had ready organizational structures and manpower in place with long expertise overseas. Many had developed close foreign ties, giving them access to the governments that were becoming strategically important in the “underdeveloped” world. Because of their innovative marketing

and networking with American civil society groups, many voluntary agencies also had a perceived moral standing to convince the American people to support foreign aid policies. And voluntary agencies represented the values of democratic humanitarianism in a world considered ripe for development in the American image—and in opposition to communism.

This chapter analyzes how the modern food aid industry grew after WWII through food philanthropy engaging in and shaping the complex politics of the American political economy of food. The power amassed by voluntary agencies during this period gave them significant influence over public policy implementation of new Point Four programs and forged for themselves a key role in deploying these US foreign policy priorities abroad. The major voluntary agencies developed forms of trade associationalism and cooperatives in order to manage competition, police their own, and exert concerted power with the state. They then increasingly used these mechanisms in the 1950s to deepen ties with the government and food interests. Despite their tax-exempt status, they blurred the lines between lobbying and advocacy by engaging in the politics shaping postwar food relief and agricultural development programs. Meanwhile, the domestic market continued to create massive farm surpluses that threatened farm votes and the US economy. The state, voluntary agencies, and the food industry identified intersecting interests in using American abundance to meet global food scarcity—thus expanding resources for food philanthropy, creating new markets, and winning hearts, minds, and bellies for the American way. But these rapid developments also resulted in significant tensions within an increasingly competitive aid industry and between its voluntary agencies and the state. Cold War politics and the challenges of staying in business often intruded on the humanitarian values and apolitical self-perceptions of this growing industry.
Although food philanthropy developed in a wide arc across the twentieth century, the ten years after WWII were arguably the most pivotal in laying the groundwork for the modern associative food aid industry. It was through the challenges of those postwar years that the voluntary agencies, state, and food industry together molded the major public policy decisions that set the trajectory for food aid to this day. Therefore, this chapter traces the history of food philanthropy from WWII through implementation of Truman’s Point Four technical aid initiatives and up to Eisenhower’s Mutual Security acts and PL 480 food surplus programs inaugurated in 1954-55. A few years later, President Kennedy’s Food for Peace programs and the 1960s “decade of development” inherited the labors of those postwar efforts.7

During those ten years, voluntary agencies actively shaped domestic and global political economies of food by helping to enshrine in US public policy the export of abundant American food and agricultural know-how to poor nations. These agencies further convinced the state that they were best suited to carry out this work abroad. Through this new foreign policy priority, the burgeoning state-business-philanthropic aid industry reshaped how the much of the world produced and consumed food. Largely modeled on NEF’s work, voluntary agencies and philanthropic foundations remade global agriculture and rural life modeled on the industrialized agricultural system of the US. The history of postwar liberal internationalism and Cold War foreign aid was not only made overseas but also in the domestic political-economic engineering done behind the scenes at home.8 This intervenes with scholarship on development to

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demonstrate that voluntary agencies were not merely tools of this work but instead active players in its politics.\textsuperscript{9}

**World War II Food Relief**

The massive scale of WWII meant that food relief took on even greater voluntary and state involvement than had the herculean efforts during and after the previous world war. Even before the war, Lend Lease was an indirect but important influence on postwar food aid. Roosevelt’s program acclimated Americans to the idea that exporting its food abundance was a useful tool to promote its national security interests in supporting friendly nations at war against fascism. A new generation of Americans got used to the idea that the government buying foodstuffs to give or sell to foreigners was a respectable and useful foreign policy tool—not just the humanitarian and economic tool it had been during and after WWI. And Lend Lease was a boon to farmers after 20 years of depressed farm prices. From 1940 to 1945, American farm income increased from $4.4 billion to $12.3 billion. Farmers made use of the greater demand and the many technological advances in farming since the 1920s to significantly increase production.\textsuperscript{10}

State control of voluntary agencies before and during the war laid much of the groundwork for close state-philanthropic cooperation after its end. Before US entry into the war, voluntary agencies providing war relief had to register with the State Department under the Section 8(b) of the Neutrality Act of 1939.\textsuperscript{11} Wanting greater control over an explosion of

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\textsuperscript{10} Riley, *The Political History of American Food Aid*, 86.

agencies after US entry into the war, Roosevelt formed the President’s War Relief Control Board (PWRCB) in 1942. It coordinated the operations of private relief agencies around the world and their campaigns to raise funds in the US. It consolidated organizations licensed to operate overseas, reducing overhead and overlap in their missions. The US government also policed inappropriate business practices and encouraged these organizations to rename themselves to ensure the word “American” figured in their titles.

The tremendous scale of wartime relief also compelled voluntary agencies to join together to deconflict and coordinate their work and to gain grudging access to local populations from the American and allied armies. New pop-up relief groups worried the major agencies that the American public would be confused or exhausted by appeals and that operations on the ground would suffer by unprofessional or duplicative efforts. Joseph P. Chamberlain, a Columbia law professor and head of the International Migration Service, C.E. Miller of NEF, and Clarence Pickett of AFSC brought together voluntary agencies to discuss their role in postwar relief and rehabilitation. Their January 1943 memorandum to the PWRCB, “Private International Service Organizations in Post-War Relief,” argued for how voluntary agencies could help the state in the postwar humanitarian crisis. They highlighted their being American and nonpolitical, having long experience in the many occupied regions, and their people-to-

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12 In March 1941, Roosevelt appointed former Ambassador to the Soviet Union Joseph E. Davies to head the President’s Committee on War Relief Agencies in March 1941. In July 1942, EO 9205 expanded its mission and created the PWRCB.
14 Weiters, The NGO CARE, 16-17.
15 Ringland, “The Organization of Voluntary Foreign Aid,” 385; Curti, American Philanthropy Abroad, 459.
people ability to connect with those in need.16 In response, the Roosevelt administration signaled support in working with a self-regulatory umbrella organization for voluntary agencies. In late 1943, sixteen groups formed the American Council of Voluntary Agencies for Foreign Service (ACVAFS).17 This consortium of voluntary agencies organized itself according to “functional, country, regional, and ad hoc committees” and proved most effective in dealing with the American army in occupied territories. The PWRCB acted as the primary liaison between the army and ACVAFS.18

This organization of voluntary agencies may have formed to deal with the specific challenges of the scale of WWII relief, but it served the many purposes of trade associationalism common to other industries. The group’s goal was to provide mutual benefit to its members in the face of a bewildering mix of governmental, military, and international players in dangerous conditions. Faced with rapidly expanding competition and the potential for hurting their reputations among the public, they also needed to regulate the business practices of new industry members. They formed committees to deconflict and coordinate solutions to wasteful and

17 ACVAFS’ sixteen charter members were: Near East Foundation (NEF); American Friends Service Committee (AFSC); Church World Service (CWS – renamed from American Committee for Christian Refugees in 1946); American Jewish Joint Distribution Committee (JDC); American ORT Federation; Brethren Service Committee (later Commission); NCWC-WRS (later Catholic Relief Services-CRS); Congregational Christian Service Committee; Greek War Relief Association; Hebrew Sheltering and Immigrant Aid Society (HIAS); International Rescue Committee (IRC); International Social Service, American Branch (originally International Migration Service); Mennonite Central Committee; Unitarian Universalist Service Committee (originally Unitarian Service Committee); Young Men’s Christian Association (YMCA), International Division; Young Women’s Christian Association (YWCA), National Board, see Mather, “Citizens of Compassion,” 50.
18 Ringland, “The Organization of Voluntary Foreign Aid,” 385. Subset committees that could speak for several agencies included those such as the Council of Relief Agencies Licensed to Operate in Germany (CRALOG), see Curti, American Philanthropy Abroad, 488.
overlapping efforts, thereby protecting members and the efforts of the industry as a whole. And finally, the association gave members a concerted voice to lobby, consult with, and advise federal agencies for the benefit of their members. In the words of historian Louis Galambos on the formation of trade associations, it formed “to act as a broker between businessmen and government officials.” They used trade associationalism for access and influence, but also to balance their own cooperation and competition in a growing industry.\textsuperscript{19} ACVAFS would prove critical in “shaping, defining and expanding” this newly emerging nonprofit industry, and it quickly grew to 68 organizations by 1947.\textsuperscript{20}

Truman terminated the wartime PWRCB on May 15, 1946, but recognized the continued urgent need for coordinating relationships with voluntary relief agencies.\textsuperscript{21} The new Advisory Committee on Voluntary Foreign Aid (ACVFA)—with an unhelpfully similar acronym to the ACVAFS—was established by Presidential letter to the Secretaries of State and Agriculture to serve under the Department of State as liaison between the government and voluntary agencies engaged in foreign assistance activities. The Secretaries of Agriculture and State appointed Charles P. Taft as the first Chairman and the State Department’s Arthur Ringland, formerly of the PWRCB and the ARA’s chief of mission after WWI, its Executive Director.\textsuperscript{22}


\textsuperscript{20} Weiters, \textit{The NGO CARE}, 17.

\textsuperscript{21} Ringland, “The Organization of Voluntary Foreign Aid,” 386.

\textsuperscript{22} Taft was son of President William Taft and brother of Senator Robert Taft. The ACVFA was reassigned to Mutual Security Agency, June-August 1953; to the Foreign Operations Administration, 1953-55; to Department of State, under the International Cooperation Administration, 1955-61, and then under the US Agency for International Development (USAID), 1961-79; and then to the International Development Cooperation Agency, 1979-1998, then back to USAID since 1998.
The trend for voluntary agencies to search out new business practices to manage cooperation and competition between themselves and to strengthen their governmental relations also led to one of the largest American voluntary agencies forming after the war. CARE’s consortium of voluntary agencies reflected both a cooperative business approach and a more commercial approach to relief. Ringland’s work with the ARA in WWI familiarized him with NER and ARA campaigns for average Americans to pay for packaged foods to go to the starving in the Near East and Europe. Ringland and Lincoln Clark, a cooperatives specialist with the United Nations Relief and Rehabilitation Administration (UNRRA), initially approached Wallace Campbell, secretary of the Cooperative League of the USA, to have a commercial entity run a new food package program. The Cooperative League was a cooperatives trade association—"a federation of purchasing, consumer, and service cooperatives with 1,500,000 dues-paying members, more than 75 percent of whom are farmers." But Campbell convinced them to approach the ACVAFS instead. Through meetings with the ACVAFS, Ringland persuaded the voluntary agencies to join their efforts to appeal to Americans’ ties to the old country. CARE formed in late 1945 as a cooperative of 22 of the largest voluntary agencies including AFSC and the National Catholic Welfare Conference-War Relief Services (NCWC-WRS). With the concept of neighbor-helping-neighbor, Americans could buy remittance packages to send to family or friends in Europe.

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25 Curti, *American Philanthropy Abroad*, 498. CARE’s voting majority consisted of: American Aid to France, American Relief to Austria, American Relief for Poland, Church World Service, Greek War Relief, International Rescue & Relief, Labor League for Human Rights, Mennonite Central Committee, Unitarian Service Committee, United Lithuanian Relief Fund, and NCWC-WRS (later Catholic Relief
CARE echoed the commercial food approach of NER after WWI, and some voluntary agencies were initially uncomfortable with this idea of “commercialized relief.” However, several American grocers, department stores, and other companies had announced plans to offer commercial care package services for Americans to buy. As they would have to be involved in distributing packages in occupied areas, several voluntary agencies wanted to take control of creating such packages but did not have the logistical capability to handle such an enormous effort individually. The pressure of ACVFA’s Ringland and these competing commercial plans convinced reluctant ACVAFS agencies to overcome any squeamishness about the plan’s commercialism and huge scope. The Cooperative League—which became a long-term backer of CARE—AFSC, NCWC, and the ACVAFS’s administration took the lead in hurriedly putting together the cooperative. Its first chief operating officer, Donald M. Nelson, had gained his experience in mail order as a vice president of Sears Roebuck. CARE’s first and long-term president was Murray D. Lincoln, president of the Cooperative League. CARE’s business model involved assembling food-based care packages, having Americans buy them above cost, and using the difference to pay for the logistics of shipping them abroad.

Another impetus for CARE, which created an immediate privileged tie to the US government, came from its first source of foodstuffs, namely army surplus rations. Ringland in 1945 learned that the US army was about to declare millions of 10-in-1 rations as surplus.

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Services). The minority consisted of American Friends Service Committee, American Relief for Czechoslovakia, Committee on Christian Science Wartime Activities for the Mother Church, Congregational Christian Service, Cooperative League of the USA., General Conference of 7th Day Adventists, National CIO Community Services, Save the Children Federation, Tolstoy Foundation, and YWCA War Victims.

26 Herbert H. Lehman to Wallace Campbell, November 23, 1945, box 1, folder: CARE, CARE Records, NYPL.
27 Weiters, The NGO CARE, 19.
28 Lincoln, Vice President in Charge of Revolution, 204-205.
29 Ibid., 204; Curti, American Philanthropy Abroad, 492.
After hiring Elmer Burland from the State Department, ACVFA helped CARE through difficult negotiations to get better terms for buying these food ration boxes from the War Assets Administration (WAA). ACVFA also negotiated for CARE to import the boxes duty free into occupied countries without interference from local governments, to receive local police and/or army protection, and for packages not counting against recipients’ ration cards.

When sales of packages proved to be sluggish in 1946, the US government also helped CARE get help from the Advertising Council, a nonprofit organization founded during the war to work with advertisers for public service messaging to the American people. The 1947 nationwide marketing blitz was valued at $2.5 million but free for CARE. It tripled package sales and significantly boosted the group’s public recognition. Ringland and ACVFA told CARE officials that they considered CARE’s work to be “in the furtherance of foreign relations” and that “in effect the US government was the parent of CARE.” The state thus had a clear stake in seeing it function as “a public institution [serving] the public interest” and as “a valuable diplomatic and political weapon.” Ringland also wanted to stress CARE’s work in order to help preserve the “American identity” of the nation’s voluntarism from being subsumed by a larger transnational relief environment.

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30 Weiters, *The NGO CARE*, 22-23. After only a month and in the face of the enormous task, Nelson moved to an advisory role and the CARE board hired retired General William Haskell, a key leader of the WWI ARA, to become executive director. Haskell’s ties to the military also helped with ration negotiations.


34 Mather, “Citizens of Compassion,” 80-81, 86.
As NER had pioneered after WWI, CARE became not only extraordinarily adept at marketing but also in symbiotic relationships with American businesses. CARE opened desks at popular department stores like Lit Brothers in Philadelphia. It solicited contracts with food and other manufacturers to supply products for its packages, particularly as the 10-in-1 rations ran out. Texsum orange juice and Lever Brothers soaps were among the first contracts. Lever launched a huge advertising campaign that asked Americans to send in two of their soap wrappers for which Lever would donate a bar of soap for CARE packages. Lever made it their prime advertising on the popular Bob Hope radio show. Needing supplies for desperate people overseas, CARE received 1.3 million soap bars and free advertising. In this mutually beneficial relationship similar to NER’s ties in the 1920s, Lever received recognition for what in later decades became known as moral branding, corporate social responsibility, or the “halo effect” of being associated with a worthy cause.35 Harold Gauer later wrote about the 1950 CARE conference in New York City where the owner of Sell’s Liver Paté extolled for conference members the great paté and canned turkey products he sold CARE. Gauer also described how, after the day’s meetings, they would all retire to the Hargus Café where “some intense young men from Lever Brothers” were providing free rounds of martinis and platters of french-fried meatballs.36

CARE exemplified how American voluntary agencies, in their need to support complex and growing humanitarian demands for humanitarian support, developed intricate relationships

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36 Gauer, Selling Big Charity, 16-17.
with business and the state by the mid-twentieth century. Pushed into existence by a State
Department official and headed by key leaders from the business world and its cooperative
movement, CARE started life with unique access to levers of power. In her history of CARE,
historian Heike Weiters notes that even at its inception the “lines between the voluntary, public,
and business sectors were extraordinarily permeable.” And because its agencies were already
operating in occupied areas, it gained expertise and influence abroad with nascent local
governments and international organizations. Lincoln Clark of UNRRA was hired as CARE’s
first employee and brought in his extensive networks with UNRRA’s international partners.

But CARE’s history also highlights the tensions that arose among voluntary agencies and
with the state as such a well-connected organization quickly gained brand recognition among the
American public. By 1947-48, a debate emerged within CARE among its member agencies and
with ACVFA about whether CARE should stay focused on designated packages versus
undesignated, in other words whether to leverage its enormous name recognition to become a
general relief agency. The US government, in the form of ACVFA and the War Department,
pressed CARE to use its name recognition to get more packages to those suffering who did not
have family or friends in the US. CARE’s board voted to remain focused on designated
packages in its January 7, 1948 meeting. This vote was largely due to its member agencies
believing that their own general relief programs would garner less business if the better-known
CARE turned to general relief. Under pressure from ACVFA and Cooperative League—as well
as the labor union formed among CARE employees—the board reversed its decision a month
later and began to allow people to order packages with undesignated recipients. CARE thus

37 Weiters, The NGO CARE, 21.
38 Mather, “Citizens of Compassion,” 53.
began down the road to becoming a powerful general relief, and eventually an agricultural
development, agency.

**Trade Associationalism Turns to Lobbying Power: Postwar Food Aid Takes Shape**

Even before the war ended, philanthropic groups experimented with increasing their
lobbying power in Washington when new tax laws threatened a loss of donations. In response to
the Revenue Act of 1944, which instituted the standard tax deduction, representatives from
several churches and charities formed a new Council on Taxes and Philanthropy to lobby on
behalf of the existing charitable deduction.\(^40\) The war had added millions of Americans to the
income tax rolls, and the 1944 act sought to simplify deductions. However, it also gave everyone
the ability to deduct income whether they donated to charity or not. Congressman Bertrand
Gearhart, a California Republican, lamented that the taxpayer who would most benefit was the
“donation-withholding atheist.”\(^41\) But in spite of the new standard deduction, so many more
middle-class earners were now on the tax rolls that charitable donations deducted totaled over
$17 million (adjusted for inflation) by 1945 and the percentage of itemizers actually increased
from 17 percent in 1945 to 20 percent by 1950.\(^42\)

With the end of the war, ACVAFS, working with ACVFA in the State Department,
began to wield considerable influence in postwar food aid. CARE’s consortium only added to the
cooperative power. By increasing their lobbying activities, providing information and expertise

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to executive and congressional committees, and advertising humanitarian crises directly to the American people, these networks of voluntary agencies gained increasing political power in postwar Washington and nationally. These three groups laid the foundation for the state-philanthropic food aid boom that developed after the war, delving into the politics of the political economy of food so that they eventually gained significant influence over public policy formation pertaining to American domestic and foreign priorities.

The first registered philanthropic lobby was the Friends Committee on National Legislation (FCNL) founded in 1943 to advocate for conscientious objectors and which helped organize the Council on Taxes and Philanthropy in 1944.\footnote{“Act To Aid Philanthropy: Churchmen and Educators Seek Guarantee of Tax Exemption,” \textit{New York Times}, March 4, 1944, 11.} By 1955, the FCNL was among the top ten spenders among Washington lobbies.\footnote{George B. Galloway, \textit{Congressional Reorganization Revisited} (College Park, MD: Bureau of Governmental Research, 1956), 22.} But this organization remained legally separate from the AFSC, the Quaker’s voluntary agency. Although charitable organizations and private foundations had long conducted activities with the government that could be considered lobbying, it was not until the late 1940s that their activities became increasingly professionalized. As these organizations were tax-exempt entities, it is useful here to analyze briefly the legal history of the difference between advocacy and political lobbying in American tax law.

\textbf{Tax-Subsidized Lobbying Versus Advocacy}

Early legal decisions regarding the activities of charities focused on the charitable status of trusts, well before the existence of income tax deductions and nonprofit status. Massachusetts Justice Horace Gray ruled in \textit{Jackson v. Philips} in 1867 that “trusts whose expressed purpose is
to bring about changes in the laws of the political institutions of the country are not charitable.  

The Massachusetts decision in *Jackson v. Philips* and again in *Bowditch v. Attorney General* (1922) reflected the English legal view that it was the ends sought that determined whether something was charitable and less so merely the means of engaging in lobbying. The Massachusetts court had taken a conservative view: “It is not charitable to change the status quo” because the law was assumed to be sound. In the *Jackson* case, the court upheld a trust that supported abolition, but not women’s suffrage. In *Bowditch* it upheld a trust supporting temperance but again not one supporting women’s suffrage. Suffrage was considered to subvert existing law.

But other American courts disagreed. They instead focused on the means of the lobbying, instead of the ends, and held that political lobbying in itself did not invalidate a charitable trust. In *Taylor v. Hoag* (1922), the Pennsylvania Supreme Court ruled, “To hold that an endeavor to procure, by proper means, a change in a law is, in effect, to attempt to violate that law would discourage improvement in legislation and tend to compel us to continue indefinitely to live under laws designed for an entirely different state of society. Such view is opposed to every principle of our government.” So the English and Massachusetts courts viewed organizations trying to change the law as conducting an “unseemly” political activity, but other American courts increasingly began to see it as part and parcel of the democratic experience.

The new Internal Revenue Code and its enforcers also took their place in interpreting what charities could and could not do to retain their tax-exempt status. The federal government

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first applied prohibitions against political activity to business corporations, not charities. The tax code of 1913 allowed the deduction of “ordinary and necessary” business expenses. In 1915, the Bureau of Revenue excluded from such deductions “sums of money expended for lobbying purposes and contributions for campaign expenses.” Then in 1917, the Revenue Act allowed individuals to deduct their contributions to organizations that “exclusively” supported “religious, educational, scientific or charitable” causes. The Treasury took a narrow view of education versus advocacy. In 1919 Treasury regulations, the department declared that “associations formed to disseminate controversial or partisan propaganda are not educational within the meaning of the statute.” It is unclear that Treasury was relying on previous precedents in trust law or in earlier business expenses rulings to reach its definition of education versus advocacy.

But harking back to the idea that only conservative advocacy was somehow sound, in its first rulings on interpreting charities’ educational work, the Bureau upheld two organizations advocating Prohibition as educational. In one of the rulings, it said that “the work of the club is propagandist, but none the less educational.” But two years later the Solicitor ruled against an organization advocating education of labor conditions in order to support labor legislation. The Solicitor ruled that propaganda meant to convince others is not inherently educational. He interpreted Congress’s enactment of the individual charitable deduction was only meant to support “the interest of all, over the objections of none.” So in essence, the deduction could

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only be used by organizations educating for nothing controversial. The following decade of Treasury rulings seemed to bear out this distinction.

Then courts began to weigh in on these seeming inconsistencies. The Board of Tax Appeals had ruled against the exemption of deductions to the American Birth Control League, which educated about birth control and advocated a repeal of anti-birth control laws. In *Slee v. Commissioner* (1929), the aptly named Judge Learned Hand ruled, “Political agitation as such is outside the statute, however innocent the aim. . . . Controversies of that sort must be conducted without public subvention”—in other words, taxpayers should not subsidize political lobbying. But he also approved of some types of political activity: “Nevertheless, there are many charitable, literary and scientific ventures that as an incident to their success require changes in the law.” He ruled that if activities were “ancillary” to the chief purpose of the charity then they would not be disqualifying, but if they were trying to push a “more general acceptance of beliefs” then it would be disqualifying. This critical decision then foreshadowed the idea of whether a “substantial” part of the charity’s work was for the purpose of lobbying versus just “ancillary” in order to support their main work. And it definitely seemed to side with issues that were less controversial and less important to changing root causes of the charity’s work.

Finally, the Revenue Act of 1934 formally separated education and advocacy and put a legislative prohibition on substantial lobbying by tax-exempt organizations. But it continued this slippery substantial versus ancillary benchmark with which to judge if a tax-exempt organization was engaging in lobbying or advocacy.51 It also dodged the question as to whether the tax-exempt organization was acting in its own economic self-interest or not when “advocating” political positions. The background of the new law focused on controversy surrounding the

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National Economy League and its efforts to deny veterans benefits during the Depression, based on the conservative government-spending views of its corporate members. After contentious debates centered on the tax-exempt status of the National Economy League, Congress settled on wording stating that the tax code required for tax exemption that “no substantial part of the activities” of organizations engaging in “religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. . . . be carrying on propaganda, or otherwise attempting, to influence legislation.” The word substantial would become the operative word of contention. Veterans, fraternal lodge, and labor organizations were not subject to prohibitions on their lobbying, but that decision was driven more by political power than logic. The concern about the National Economy League’s lobbying and tax-exempt status was over the economic self-interest of contributors who controlled it and similar business organizations, but Congress was unable to figure out a way to define such self-interest and so limited the lobbying activity itself.52

From 1952 to 1954, the Select Committee to Investigate Tax-Exempt Foundations and Comparable Organizations, otherwise known as the Cox and then Reece committees, investigated “educational and philanthropic foundations and other comparable organizations” with tax-exempt status to determine whether they were using their resources for other purposes than that for which they were established and in order to influence government policy. Specifically, it was looking for any “un-American and subversive activities” among the foundations which some conservative members believed were subverting educational and political discourse.53 The committee also sent extensive questionnaires to voluntary agencies to

gauge their activities. Despite some proposals to reduce philanthropic tax-exemptions, such privileges withstood the committee’s work.

When the tax code went through a comprehensive restructuring in 1954, the tax exemption provisions were codified in a new section 501(c) of the Internal Revenue Code. The new 501(c)(3) included language almost identical to the previous statute about lobbying, but added a prohibition on political campaigning. It granted the status to: “Corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes. . . . no part of the net earnings of which inures to the benefit of any private shareholder or no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation, and which does not participate in, or intervene in (including the publishing or distributing of statements), any political campaign on behalf of any candidate for public office.”

**Philanthropic Lobbying for Greater Governmental Support**

In light of this history, voluntary agencies in the 1940s and 50s were able to lobby for legislation supportive of their missions as long it did not constitute a substantial part of their work. That much of their advocacy, in the 1950s particularly, was critical to gaining resources to remain viable as businesses was not considered an issue. Landrum Bolling, president of another philanthropic cooperative founded in 1949, the Council on Foundations, later said about this period that “among the cooperating PVOs there [was] strong determination to be active shapers of the relationship and not merely silent and passive junior partners. . . . To these representatives

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55 The last part on political campaigning was added by Senator Lyndon Johnson as the controversial Johnson Amendment.
of private organizations, the federal government is not solid and unbending, but porous, pliable, and susceptible to rational change.”

But voluntary agencies recognized that the federal government was still the main orchestrator of foreign aid and that they were supporting players. In February 1947, an ACVAFS delegation presented President Truman with a statement stressing “that the role of voluntary foreign relief agencies is primarily to provide supplementary individual and demonstration services, rather than basic maintenance—the latter being, in general, considered the responsibility of governmental and intergovernmental bodies.” ACVAFS argued that the burgeoning state-philanthropic relationships being formed after the war reflected the “established system of cooperation between public and voluntary health and welfare services” in line with American historical precedents.

As noted in the previous chapter, Truman believed that it was America’s responsibility to use its state and private power to alleviate the postwar humanitarian crisis. In early 1947, Truman pushed Congress to approve $350 million in relief for European and Asian war victims. The same day that Truman sent his note to Congress about the $350 million in aid, the British informed Washington that they would no longer provide military aid for Greece and Turkey. In March, Truman then announced his eponymous doctrine calling for economic and military aid for those countries “as an investment in world freedom and world peace.”

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56 Voluntary agencies by the 1970s were being referred to as Private Voluntary Agencies (PVOs), a neoliberal preference perhaps, see Landrum R. Bolling and Craig Smith, Private Foreign Aid: US Philanthropy for Relief and Development (Boulder, CO.: Westview Press, 1982), 194-195.
that the eastern Mediterranean might fall into the Soviet orbit, Truman staked his foreign policy on both military and humanitarian aid. Public Law 84 authorized aid for Austria, Greece, Italy, Trieste, and China, and Public Law 271 appropriated $332 million in funding on July 30, 1947.60

ACVAFS lobbying proved crucial towards helping write support for food philanthropy into the bills. The group urged Senator H. Alexander Smith to propose an amendment to provide $5 million in freight reimbursement subsidies for the voluntary agencies to ship supplies overseas. Smith argued that the voluntary agencies’ work in moving supplies were a “bargain” for the US government due to their expertise and “ability to deliver $10 of relief for every $1 of freight subsidy funding.”61 The powerful Senator Arthur Vandenberg supported the measure, and Congress approved the amendment, thereby setting an important precedent for US government freight subsidies for food philanthropy work abroad.62

In lobbying for the freight subsidies, ACVAFS strengthened their members’ resources but also made them more subject to government oversight. Because PL 271 required that the federal government could only grant the freight subsidy for “relief agencies licensed for operation in Europe and in Asia,” the State Department required voluntary agencies to “record” themselves with ACVFA and certify their materials as “essential supplements” like food, clothing, and medical supplies.63 In addition, the freight subsidies were only available for supplies going to the countries eligible for assistance under PL 84 and PL 271—Austria, Greece, Italy, Trieste, China, and the occupation governments in Germany, Japan, Korea, and Okinawa.64

60 Ringland, “The Organization of Voluntary Foreign Aid,” 386.
63 Reiss, ACVAFS, 41-42.
Therefore, the federal government ensured that coveted freight subsidies would only be granted to voluntary agencies willing to abide by government restrictions and according to US priorities.

In addition to emergency relief, the administration believed that Europe’s long-term economic revitalization was critical to American security and prosperity. In January 1947, Secretary of State George C. Marshall appointed George Kennan as Head of the Policy Planning Staff and tasked him with preparing a report on a possible American aid program for western Europe. Kennan found that Europe needed food relief for workers but also fertilizer and farm equipment to revive agricultural production. In his message to Congress about the proposed European Recovery Program (ERP), Truman made clear that emergency aid was a “vital prerequisite” for sustained improvement.65 The Marshall Plan passed Congress as the Economic Cooperation Act on April 1, 1948 and established the Economic Cooperation Administration (ECA) to administer its programs.

In this initial postwar period, ACVAFS began to network with more players involved in moving food overseas in order to gain more resources for its members. Between September 1947 and December 1948, ACVAFS met frequently with ACVFA and with the State Department, its Social Affairs Branch, and country desks. From July to December 1948, ACVAFS had extensive coordination meetings with the new ECA on at least 22 separate visits, with ACVFA serving as liaison.66 They also met with the ECA Shippers and Purchasers Committees and the US Army.

Among many other meetings during this time was also coordination with private entities such as the Candy Manufacturers Association, the Rockefeller Foundation, and the CIA.⁶⁷

Voluntary agencies worked hard lobbying to continue freight subsidies under the ECA. They were helped by an important study supervised by Congressman James G. Fulton in early 1948, which provided a detailed analysis of relief efforts during and after the war. The Fulton Report stressed that voluntary humanitarianism was an “essential counterpart” to government efforts and “worthy of encouragement by the public and by the Government.”⁶⁸ The report further found that the voluntary agencies were using the freight subsidies responsibly and to the benefit of US priorities. The House subcommittee therefore recommended that Congress continue and expand the freight subsidies for voluntary agencies under the Marshall Plan.⁶⁹

ACVAFS also lobbied for and received State Department assistance with negotiating better duty-free terms for food going abroad and foreign government subsidies for inland transportation costs overseas.⁷⁰ And following the government’s shifting emphasis to economic recovery over relief, the agencies pushed for and received approval from the ECA for more materials to be eligible for freight subsidies, items such as agricultural, construction, and educational materials.⁷¹

But once again the federal government used ACVAFS lobbying priorities to exact more control over the voluntary agencies. ACVAFS agencies had to agree to be recommended by and

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⁶⁷ Ibid, 42.
⁷⁰ Ringland, “The Organization of Voluntary Foreign Aid,” 387. These costs were to be borne by the governments of the recipient countries: the United Kingdom, Norway, Luxembourg, Netherlands, France, Germany, Austria, Greece, Italy, Trieste, Yugoslavia, Free China, and Korea.
register with ACVFA—not merely recorded—in order to participate in these subsidy programs.72

However, both the state and philanthropic sides of this bargain seemed to be satisfied with their rapidly expanding and mutually beneficial relationship. ACVFA and ACVAFS stressed in a joint September 1948 statement that the voluntary agencies, “with competent personnel on the scene and long experience with governments, [were] in the best position to determine the needs of overseas communities” and thus to help Americans carry on their humanitarian tradition.73

Point Four and Technical Cooperation

As Europe began to recover from war and a new Cold War settled in, the US turned its attention from Europe to the so-called “underdeveloped” world. In Truman’s 1949 inaugural speech, he laid out his new vision of global development in the Cold War fight:

Fourth, we must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas. . . . The United States is pre-eminent among nations in the development of industrial and scientific techniques. The material resources which we can afford to use for assistance of other peoples are limited. But our imponderable resources in technical knowledge are constantly growing and are inexhaustible. I believe that we should make available to peace-loving peoples the benefits of our store of technical knowledge in order to help them realize their aspirations for a better life. And, in cooperation with other nations, we should foster capital investment in areas needing development.74

In a sweeping new policy for the US to develop the perceived underdeveloped world, Truman set forth two key strategies that would require the crucial involvement of American philanthropy, business, and the state—sharing technical skills and fostering the flow of capital investment.75 Point Four was spurred by the ideas of State Department official Ben Hardy, who

72 Ibid., 51-53.
had worked for Nelson Rockefeller’s IIAA during the war, and of international economist Walter Salant. By 1948, Hardy worked in the State Department’s Office of Public Affairs where he pushed for the US to adopt more positive Cold War initiatives. In helping craft Truman’s inaugural speech, Hardy suggested that technical assistance was a “potent weapon” for fighting communism and convincing “the common people of the world that we are on their side.” 76 By 1948, Walter Salant of the President’s Council of Economic Advisors (CEA) and his fellow members were deeply concerned about the “international payments problem.” They worried that European nations might not soon recover the ability to resume robust trade with the US and each other. Salant argued for channeling investment capital to improve economic conditions in poor nations so that they could buy European goods to speed recovery. 77

The idea of improving the standards of living for foreign peoples was hardly a new American idea; missionaries and others had been doing so at the local level for decades. The previous chapter demonstrates how NEF pioneered systematic agricultural development in the Near East well before the Cold War. But facing post-colonial nationalism and the threats of communism globally, the imperative for technical aid or development, as it came to be called, percolated in political and social science circles only to burst forth as a mid-century political-economic obsession. 78 The intellectual and policy impetus behind Point Four was grounded in historical American ideals of “technologically primed development” as a powerful tool of

76 Mather, “Citizens of Compassion,” 102.
78 There were several terms used interchangeably at the time for developing agriculture and other areas of socio-economic life overseas. The most common were technical cooperation, technical assistance, technical aid, and development. On the new enthusiasm for development see, Cullather, “Development?” 641-653.
“modernization” that could be exported everywhere. Many US policy makers, businessmen, academics, and philanthropies believed that an American Keynesian-style intervention with technological innovation could move the entire world towards economic prosperity. Of course, these ideas were married to the crucial priority of remaking the world for free-market capitalism in the face of the lure of the rapid technological development possible in communist planned economies. Therefore, Point Four proponents argued that development must also hold up the ideal of civil society and private business, thereby showing the world the superiority of a free society.

The major political-economic issues surrounding Point Four involved what selection or combination of state, business, philanthropic, and/or international actors could best implement this new strategic priority. An early congressional report on Point Four stressed, “Private philanthropic organizations such as the Rockefeller Foundation and various religious and educational groups for decades have contributed to the advancement of the well-being of peoples outside the mainstream of world technological progress. The United States Government itself already maintains or shares the support of many agencies which extend financial and technical assistance to other countries. Rather than the nature of the program, therefore, it is the breadth, scale, and integration of activity contemplated for achieving development which makes Point Four a new and positive step in United States foreign policy.”

81 US Congress, House, “Point Four, Background and Program, Committee Print of the House Committee on Foreign Affairs, July 1949” (Washington: GPO, 1949), 1.
However, the role of food philanthropy in implementing Point Four was not a foregone conclusion by any means. It was largely through their active political engagement and their proven track records that philanthropic groups won a critical role in carrying out the Point Four vision. The US officially set forth a doctrine of remaking the world in the American image of a technologically advanced and capitalist economy, with the primary focus on creating food security. After significant debate, in which food philanthropy was active both publicly and behind-the-scenes, the state further made it public policy to use voluntary agencies as the ground troops for much of the work. This decision also reflected the strong legacy of philanthropic groups such as the GEB, NER, NEF, IIAA, and the ACVAFS agencies.82

Congress debated enacting legislation to make Point Four programs concrete over sessions in 1949 and 1950. Contentious hearings debated whether to engage in state-led technical aid or to encourage private investment and whether to provide bilateral aid versus funneling support through the new United Nations. The administration and others stressed the value of governmental support through both philanthropic and commercial channels, particularly in the fields of agriculture, public health, education, and public administration. Secretary of State Dean Acheson and other State Department witnesses carefully argued for balancing American contributions with strengthening nascent UN programs.83 Business groups, such as the Foreign Trade Council, argued for capital investment by private entities and that business should be responsible for technical aid.84

84 US Congress, House, “International Technical Cooperation Act of 1949 (Point IV Program),” Hearings before the Committee on Foreign Affairs, House of Representatives, 81st Congress, 1st Session, September 27, 28, 30, October 3, 4, 5, 6, and 7, 1949 (Washington: GPO, 1949), 79-80, 92-96; US Congress, Senate,
Echoing NEF’s vision from the 1930s, Nelson Rockefeller testified to Congress that the US had to improve global agriculture in order to expand the world’s buying power. He called for industrializing agriculture “through the use of high-yield seeds, fertilizers, insecticides and fungicides that will cut crop loss and increase the per-hour output of labor.” Farm labor would then be free to relocate off the farms in order to industrialize their economies. Lest anyone mistake the goal of remaking the world in America’s image, when asked what would most help create political stability and lead to democracy in developing areas, Rockefeller confirmed what he had said about the need for the IIAA in 1942: “I think it needs a great middle class of people such as we have in the United States.” He called for American food philanthropy to take a key role in this economic transformation. As he testified before Congress, the Rockefeller Foundation was literally sowing the seeds in Mexico for what would become the Green Revolution.

Wading into these politics, voluntary agencies sought to shape Point Four policies and to advocate for implementing its work. In the fall of 1949, these groups lobbied behind the scenes that they were best suited to carry forward programs overseas. Between congressional sessions, Congress added Section 107 (it later became section 407) of the new “Act for International Development,” a clause requiring the government to seek “the participation of private agencies and persons [to] the greatest extent practicable” in technical assistance. In addition to

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Ibid., 91.

Fitzgerald, “Exporting American Agriculture.”

Reiss, ACVAFS: Four Monographs, “Committee on Development Assistance,” 5-6.

voluntary agency lobbying, what helped push Congress to include Section 407 was ironically the result of the tensions over the State Department’s efforts to more closely control ACVFA and its close coordination with ACVAFS. In late 1949, the Secretary of State moved ACVFA to the Office of the Assistant Secretary of State for Economic Affairs, and made a State official the “ex-officio executive director” of the committee.\(^9^0\) ACVFA then asked registered agencies to provide detailed information about their overseas projects.\(^9^1\) ACVAFS considered the request intrusive and was concerned that the incorporation of ACVFA into the bureaucracy of the State Department would mean more oversight of the voluntary agencies as opposed to being their liaison.\(^9^2\) But ACVFA compelled the voluntary agencies to catalogue their projects, and it was the sheer weight of their humanitarian work that helped convince many members of Congress to support section 407. The report compiled over 2,500 programs being carried out by more than 100 organizations in Asia, Africa, Latin America, and the Middle East. Separate reports also catalogued the overseas projects of US businesses and academic institutions.\(^9^3\)

A few voluntary agency representatives testified at the 1949 Point Four committee hearings, but with the inclusion of section 407, several more lobbied publicly during the 1950 hearings. Religious groups echoed missionary themes of uplift and faith in technological progress. Several church-affiliated voluntary agencies argued that development must be grounded in a “thoroughly Christianized community,” because these peoples “will be in need of

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a new faith to live by as the applications of modern science overtake the powers of the ancient.”

They urged Congress that the state must use voluntary agencies to the greatest extent possible and for long-term programs. They declared that churches would “find men and women who combine technical skills and high character” to offer for service to the US and to the UN. They also stressed their power to mobilize their vast constituencies behind the bill: “All Christians are being alerted to watch this bill and support a good one.” This foreshadowed the massive letter writing campaigns that religious voluntary agencies would perfect in the coming years to lobby on issues important to them. Because most of these organizations were still fairly small in 1950, the voluntary agencies also called for the US to use the UN when possible to avoid charges of “economic imperialism,” but all groups said that their organizations would also participate in bilateral programs. Clarence Pickett of AFSC further urged that the US government, “under the pressure of what is termed a ‘cold war,’” must not bow to “a temptation to use gifts of commodities or of technical personnel to further political ideologies and not

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95 A role that voluntary agencies perfected later, particularly by Bread for the World, was grassroots church letter writing. Similar to NER’s huge network of church, civic, and local government entities, Bread for the World activated its supporters across churches through its newsletter or phone trees to deluge Congress with letters and phone calls. It mobilized especially for the Grain Reserve Program in the 1977 Farm Bill, and in 1980 it pushed the recommendations of the President’s Hunger Commission by drafting a Hunger and Global Security Bill. If necessary, it asks priests and pastors to also make announcements to their congregations during their services, see Bolling and Smith, Private Foreign Aid, 204-205.
primarily because of our interest in helping underdeveloped people.” He also argued that technical aid must be accompanied by cultural sensitivity in order for it to take root.  

Representing business interests, witnesses from the National Grange and AFBF echoed Rockefeller’s comments about developing nations needing to redress their imbalances between agriculture and industry. But the Grange urged working through the UN and was prescient in envisioning how it would affect the socio-economic lives of foreign farmers as it had in the US: “It is not proper to go in with our modern agricultural equipment and methods unless you have some way to readily handle the displaced persons that that would create.” The AFBF also urged maximum use of agricultural experts from private organizations both commercial and philanthropic. The National Economic Council urged Congress to channel technical assistance only through American bilateral arrangements, and not through the UN, in order to control the funds of American taxpayers.  

The Reverend Monsignor John J. McClafferty, Dean of the National Catholic School of Social Service at the Catholic University of America, also revealed a discordant perspective on the economic, cultural, and racial implications inherent in development. He urged caution in how the US promoted development so as not to severely disrupt other nations’ socio-economic conditions: “We have promoted mechanization in certain industries in some countries to such a degree as to cause serious unemployment.” But he went on to call for the UN and Organization of American States (OAS) to use displaced persons out of Germany and Italy to serve as the manpower for projects around the world as a form of racial engineering. He thought that European blood was necessary to make over the world in the western image: “There are still  

South American countries where the indigenous peoples, numerically outnumbering those of predominantly European stock, can be aided and stimulated through the assimilation—physical, cultural, and economic—that would be consequent upon the introduction of that human capital—one of the foremost gifts of Europe.”

Point Four became public policy through a heavily compromised bill—but which retained section 407 on voluntary agency involvement—eventually passed as Title IV of the Foreign Economic Assistance Act of 1950. Truman signed it into law on June 5, 1950. The new law authorized the President to delegate his authority to administer a program of bilateral technical cooperation programs to the Secretary of State. It also authorized contributions to the UN and other international organizations for technical assistance programs only if they were deemed as effective as bilateral programs. The act authorized $35 million for the programs, but in September, Congress cut the appropriation to $10 million.

Recognizing the growing lobbying power of the voluntary agencies, the White House and State Department then rallied groups registered with ACVFA for support in restoring funding. Their lobbying efforts helped to get the appropriation finally approved at $34.5 million. Some voluntary agencies partnered with farm, labor, businesses, and other civic organizations to form the “Point Four Information Service,” led by Wallace Campbell and the Cooperative League.

100 Department of State, “Legislative Background of Point Four Program,” 4
102 Mather, “Citizens of Compassion,” 111.
The organization lobbied Congress to “resist efforts to ‘economize’ on this vital program” for a “US strategy for peace.”¹⁰⁴ ACVAFS agencies sent telegrams to their senators urging support and recognition for the role of philanthropic agencies.¹⁰⁵ The ACVAFS Technical Assistance and Projects (TAP) Committee also telegraemed legislators to urge “full authorization [of the funds] in [the] interest of peace and to promote security and good will.”¹⁰⁶ ACVAFS sent reams of material to the State Department to use with Congress stressing the voluntary agencies’ capabilities and the need for more funding.¹⁰⁷

In 1950, President Truman also formed the International Development Advisory Board (IDAB) with Nelson Rockefeller as its chair. The Board was charged with recommending policies for carrying out the Point Four program because, as Truman wrote to Rockefeller, “Economic stagnation is the advance guard of Soviet conquest.” The IDAB’s final report, entitled “Partners in Progress,” provided the basic blueprint for America’s foreign assistance program supporting its Cold War strategy.¹⁰⁸ The report stated that the free world faced threats along two main fronts: “military aggression and subversion,” and “hunger, poverty, disease and illiteracy.”¹⁰⁹ Modeled after his work at the IIAA, Rockefeller recommended development in the fields of agriculture, health, sanitation, education, transportation, and industrial productivity.¹¹⁰

¹⁰⁴ Mather, “Citizens of Compassion,” 111.
He also particularly called for use of both food philanthropy and locally targeted food industry business development.

**The Technical Aid Corollary—Surplus Food**

While the state, business, philanthropy, and other interests wrangled over how to implement Point Four, the US faced a familiar domestic crisis of agricultural surplus and subsequent depressed farm prices. As fall 1949 debates were shaping Point Four legislation, Congress passed the Agricultural Adjustment Act of 1949 with section 416 allowing agricultural surplus in danger of spoilage to go to voluntary agencies to feed overseas populations. Section 416 began a string of legislative victories for integrated state, agribusiness, food philanthropy, and farm interest efforts to use American food surplus to support its foreign policy priorities while bolstering the political economy of food at home. Surplus food became a critical resource for voluntary agency food relief overseas that, when it was later sold rather than donated, spurred and supported major agricultural development projects abroad. Offloading food surplus allowed the government to reduce threats to domestic farm prices and farmers’ votes. It gave farmers and agribusiness new markets overseas for the food itself and then agribusiness products as agricultural development remade how people in the developing world produced food. As with Point Four legislation, voluntary agencies engaged in the politics of this major political-economic issue to gain critical resources for their humanitarian missions.

As had happened during WWI, farmers increased food production during the second world war which resulted in large postwar surpluses. Agricultural technology increased production, the war demanded more food, and Washington approved price supports while easing
cultivation restrictions. By 1948, farm prices dropped again, hurting farmers who had never really recovered from the economic hardships of the food surpluses that began in 1920. Average farm household income in 1947-48 was half that of American non-farm families—$763 per year compared to $1,555 per year. The New Deal’s Commodity Credit Corporation (CCC), chartered as a federal corporation in 1948, had to buy up agricultural surplus to bolster prices.

The executive and legislative branches fought over complex plans to alleviate farm prices while also trying to cut government costs. In 1949, Congress wrangled with the Brannan Plan, which involved allowing farmers to sell surplus for whatever prices it could bring in the market and then the government would use federal funds to compensate farmers for the difference. Instead, in October 1949 it passed a compromise bill in the Agricultural Act of 1949, which resulted in the government assuming responsibility for approximately $2 billion in agricultural surplus by the end of the year. In order to deal with the threat of such a large surplus to the economy, before passing the bill, Congress looked for ways to use up the surplus after the CCC took ownership. At first Congress only considered using food surplus for domestic needs. Senator Elmer Thomas of Oklahoma proposed an amendment to make surplus commodities

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114 See Dean, *An Opportunity Lost*.
available first to school lunch programs, the Bureau of Indian Affairs, and federal, state, and local welfare organizations, and second to private welfare organizations for use in the US.\footnote{Mather, “Citizens of Compassion,” 132; US Congress, Senate, “Brannan Plan,” 81st Cong., 1st session, \textit{CR} 95, pt. 10 (October 4, 1949): S13751.}

CARE lobbied Thomas to update his amendment to make their cooperative eligible for receiving surplus food to use overseas. But in order not to solely favor CARE, Congress further modified the bill with Section 416 to allow the USDA to donate surplus farm products in danger of spoilage (some grains, butter, cheese, rice, dried eggs, dried milk) to any voluntary agency registered with ACVFA.\footnote{US Congress, Senate, “Stabilization of Prices of Agricultural Commodities,” 81st Cong., 1st session, \textit{CR} 95, pt. 11 (October 12, 1949); Mather, “Citizens of Compassion,” 132.} Thus, as a third priority, surplus could go “to private welfare organizations for the assistance of needy persons outside the United States.”\footnote{Agricultural Act of 1949, PL 81-439, 63 Stat. 1051.} CARE had developed close ties to the congressional farm bloc and farm lobbies through its purchasing of foodstuffs for its packages. In addition, CARE and the farm lobby had a uniquely close association through Murray Lincoln, head of the Cooperative League which helped found CARE. He served as CARE’s first president, which he remained for 12 years, afterwards serving as its Chairman of the Board until his death in 1966. He was also the first head of the Ohio Farm Bureau Federation and founded the Farm Bureau Mutual Automobile Insurance Company, which later became Nationwide Insurance. Lincoln also served as a director of the AFBF and was later chairman of JFK’s “Food for Peace” task force. He was a life-long proponent of cooperatives.\footnote{James J. Nagle, “Big Insurer Blends Humane Interests with Success Nationwide's Chief, Murray D. Lincoln, A Dynamo at 69,” \textit{New York Times}, July 16, 1961, 120; See also Lincoln, \textit{Vice President in Charge of Revolution}.} Both the National Grange and the National Farmers Union joined CARE in the 1950s.\footnote{Lincoln, \textit{Vice President in Charge of Revolution}, 211. The AFL-CIO was also a member.}
was also connected to farm interests through the Cooperative League, which had a majority of cooperative farmers as members.

Similar to lobbying activity for Point Four legislation, the voluntary agencies jumped into these politics. They lobbied behind the scenes in 1949 to garner food surplus but came out in force to lobby publicly on amending the Agricultural Act in 1950 after Senator Thomas wrote their interests into the bill. At House Agriculture Committee Hearings in Spring 1950, representatives of ACVAFS, CARE, and FCNL urged Congress to make more categories of surplus, such as nonperishables, available to the voluntary agencies. They also lobbied especially hard in public and to congressional contacts for the US government to pay their freight charges.121

CARE’s new Director Paul Comly French testified to the House Agricultural Committee that disposing of commodities in the domestic market might endanger the price support program and urged that more surplus be made available for voluntary agencies’ overseas projects. He stressed that the voluntary agencies were still in the best position to make use of the surplus rather than setting up any new government agencies to deliver the food directly to overseas states in “another impersonal governmental approach.” Creation of more governmental machinery would also take time whereas the voluntary agencies already had “established relationships with various foreign governments, local agencies, and institutions; they know local problems and have established methods of distribution; and they have personnel on the spot.” As packages were clearly marked with their American origin, he said that local people and governments well

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understood who their benefactor was. If the US were to funnel surplus through these local
governments instead of the voluntary agencies, then the American origin of these supplies would
likely be lost. But French testified that CARE and other groups had thus far not been able to
make much use of surplus commodities because present legislation restricted nonperishable
foods such as non-spoiling grains from distribution to the voluntary agencies; they had so far
only had access to “some potatoes and dried eggs and milk.” In addition, he testified that most
CARE members could not afford the shipping costs to move surplus food overseas. 122

ACVAFS bolstered the argument by testifying that the government subsidized voluntary
agency shipments to ECA countries but not shipments to the Middle East and Asia, which were
becoming more important in the nascent Cold War. In addition, those nations did not have the
merchant ships or funds to pay for their own shipments. If the administration and Congress really
wanted to help the underdeveloped world and domestic farmers, then it would have to help the
voluntary agencies pay to move surplus abroad. ACVAFS estimated that if the US government
were to ship surplus to domestic ports and then to subsidize freight charges for the voluntary
agencies to move them overseas, its agencies could send 5 to 6 times more surplus food
overseas. 123

Echoing Congressman Cramton’s suspicions from 1919, the proposal met some
congressional pushback. Members of the Committee grilled Joseph Lehman of ACVAFS about
its members using food supplies for “fattening up Communist countries” to which Lehman
replied that most of their agencies no longer operated in those areas. He acknowledged however
that organizations such as the NEF distributed supplies in Iran and Greece but had little to do
with communists. Facing criticism that US government officials were not on hand to make sure

123 Ibid., 96-97, 216-221.
that the voluntary agencies did not convert supplies to “private profit,” Lehman answered that all voluntary agencies had to be registered with and make regular reports to ACVFA and that they worked closely with American embassies and legations. To charges of such officials becoming “fat cat politicians” off their interactions with the voluntary agencies, Lehman answered that such things did not happen with ACVAFS agencies. He also reminded the belligerent members of the Committee that all foodstuffs were clearly marked as American in origin.¹²⁴

Voluntary agencies’ arguments received support from the CCC and from farm lobbies. Ralph Trigg of the CCC testified that the surplus was enormous and that the slow distribution to domestic and international groups was impeding its reduction. Farm lobbyists testified that there were historic surpluses of grains, peas, and beef while the ECA and army bought foreign supplies of these commodities.¹²⁵ The National Grange and National Farmers Union also supported the federal government subsidizing freight as necessary to better move surplus overseas. John H. Davis, Executive Secretary of the National Council of Farmer Cooperatives, testified that the surpluses would only worsen: “American agriculture is in a period of adjustment not only from a war economy to a peace economy, but also to a period of greater mechanization, better hybrid varieties and breeds, better plant food utilization, the use of chemical weed killers, the use of chemical defoliators, the use of hormones to stimulate growth or maturity, improved

¹²⁴ Ibid., 216-221.
¹²⁵ US Senate, Committee on Agriculture and Forestry, “Investigation of Agricultural Commodity Purchases in Foreign Countries with United States Funds,” February 8, 1949 (Washington: GPO, 1949), 1-3, 27.
soil management and practices, to mention but a few.” But the Farmers Union warned about “dumping” American surplus which would create problems with other nations’ agricultural interests, particularly America’s allies.

Upon passage of the new act with Section 416, several voluntary agencies quickly took advantage of the new food surplus resources for their programs, including the National Catholic Welfare Conference (NCWC), Church World Service (CWS), Lutheran World Relief (LWR), Haddash, and the American Jewish Joint Distribution Committee (JDC). CARE and AFSC followed suit later in 1950. CARE executives were especially interested in using the surplus to expand the cooperative’s operations into more general relief in the future, which again caused friction among its own cooperative members and with other agencies in ACVAFS. However, the Korean War began to eat away at some of the surplus, and voluntary agencies found it difficult to pay for shipping the surplus overseas. This set off more public lobbying to pressure the US government to pay for freight charges.

These lobbying efforts for both Point Four legislation and the Agricultural Adjustment Act show the connected web of philanthropy, business, and state cooperation in food aid. It also

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126 The National Council of Farm Cooperatives was composed of farmers’ marketing and purchasing cooperatives serving over 2.6 million farm families. See Agricultural Adjustment Act of 1949. US Congress, Senate, Hearings before a subcommittee, 81st Congress, 1st session, on S. 1882, a bill to amend the Agricultural Adjustment Act of 1938, as amended by the Agricultural Act of 1948; and S. 1971, a bill to stabilize farm income and farm prices of agricultural commodities; to provide an adequate, balanced and orderly flow of agricultural commodities in interstate and foreign commerce; and for other purposes. July 7, 11-15, 18-19, 1949 (Washington: GPO, 1949), 174.
127 Ibid., 56-66, 265, 301.
shows the increasing power of the voluntary agencies in the politics of the political economy by 1950. What also helped bolster their arguments for increased funding was the outbreak of the Korean War.\footnote{Mather, “Citizens of Compassion,” 111.} As several historians have stressed, Point Four advocates—including the voluntary agencies—who called for food relief and technical aid as weapons against communism were vindicated by the North Korean invasion.\footnote{On the Korean War and Point Four’s Cold War evolution, see Sergei Y. Shenin, \textit{The United States and the Third World: The Origins of Postwar Relations and the Point Four Program} (Huntington, CA: Nova Science Publishers, 2000), 45, 54; McVety, \textit{Enlightened Aid}, 111; Macekura, “The Point Four Program and US International Development,” 147-48.}

**Technical Aid Contracts to Develop the World**

With the enactment of Point Four legislation in summer 1950 and Truman’s Executive Order 10159, the Secretary of State established the Technical Cooperation Administration (TCA) in the fall of 1950.\footnote{US Congress, House, “Technical Cooperation Administration: Educational and Training Activities. Hearings Before the Subcommittee of the Committee on Government Operations, 83rd Congress, 2nd Session, June 3, 4, 5, 30, and July 2 and 7, 1953 (Washington DC: GPO, 1954), 6.} The TCA immediately consulted several voluntary agencies about how best to deliver services, particularly with NEF, which was also most active in the strategic area increasingly referred to as the Middle East, a region important for oil and its proximity to the Soviet Union.\footnote{The term Middle East, used by the British since the late 19th century, was used to describe a much greater swathe than the previously popular term Near East, see Curti, \textit{American Philanthropy Abroad}, 608; Smith, \textit{More Than Altruism}, 50; McVety, \textit{Enlightened Aid}, 111. See also, “Expert on Near East Scores Russia’s Role,” \textit{New York Times}, November, 21, 1947.} ACVAFS asked the TCA to allow it to formally participate in Point Four, not only as a “clearing house” of information, “but also in the actual operation of suitable projects and programs.”\footnote{Mather, “Citizens of Compassion,” 126; ACVAFS Committee on Technical Assistance and Projects, “The Role of Privately Supported American Voluntary Agencies in Technical Assistance,” May 31, 1950, box 14, folder: TAP Statements to Technical Assistance Committee of State Department, MC 655, Rutgers SC/UA.} In October 1950, State Department officials recommended closer collaboration between the government and the voluntary agencies, calling for state and private
experts to serve as consultants for one another’s programs. The TCA began contracting pilot
programs with voluntary agencies to carry out specific projects. Along with legislation on food
surplus, this decision set in motion what has arguably been the biggest boon to food philanthropy
in the last century. This evolution in the voluntary agencies’ resource base came at a time when
many of the agencies were in serious financial difficulty. Postwar donor fatigue and perceptions
that overseas crises had passed, particularly due to the Marshall Plan in Europe, meant that
donations to these groups had fallen sharply since 1948. Some groups had experienced a revenue
drop of between 50 and 90 percent.\footnote{Mather, “Citizens of Compassion,” 129; Minutes of ACVAFS Executive Committee Meeting, October 10, 1950, box 8, folder: XC Minutes (1950), MC 655, Rutgers SC/UA.}

NEF received one of the first four contracts to expand its agricultural and health projects
in Iran and Syria, after cutting back some of these programs in the late 1940s. This reflected
NEF’s track record and the Truman administration’s focus on Middle East foreign policy
priorities.\footnote{Florence Black to Richard Brown, “Point IV Meeting of Voluntary Agencies,” June 2, 1950, box 4, folder: Point IV—General (1949-50), UD 679A, RG 469, NARA II; Max Isenbergh to TCA Staff, February 9, 1951 and “Agreement Between the United States Government and the Near East Foundation,” box 1, folder: Agreements, Point 4., UD 814, RG 469, NARA II.} Other contracts soon followed with AFSC in India, NCWC in Vietnam, World
Student Service Fund, and the Unitarian Service Committee (USC). By the fall of 1951, the TCA
had thirty-six agreements with a collection of voluntary agencies, universities, and businesses,
which included expanding NEF agricultural training and agreements with several American
land-grant colleges.\footnote{Mutual Security Act of 1951, Hearings Before the Senate Committee on Foreign Relations and Committee on Armed Services, 82nd Cong., 1st session, 410-411 (1951); Kain Memorandum for Files, “TCA Contracts with Non-Governmental Organizations,” October 1, 1951, box 3, folder: IV-B Point 4, UD 679A, RG 469, NARA II. For summary descriptions of TCA contracts with registered agencies, see Mather, “Citizens of Compassion,” 130.} The primary focus of all these projects was attaining food security, the
administration’s primary objective “since food is a strategic material and a key to all productivity.”

Consulting with NEF and the church-affiliated voluntary agencies was a specific priority of the TCA’s first director, Dr. Henry Garland Bennett, who had long admired pioneering missionary development work. Before he died in a plane crash in Iran in 1951, he increased the interest of church-affiliated voluntary agencies in the work of the TCA. He called for a type of “moral imperialism” to spread “Christian idealism” in the face of “Godless communism.” As noted earlier, religious groups were initially most public about supporting Point Four legislation. Bennett’s early tone for the TCA only increased their interest. Although these groups had early lobbied to use the UN as a conduit, the de facto bilateralism of Point Four forced them to forge closer cooperation with the TCA or forego participation in its programs. These philanthropic leaders saw the value in collective action by groups such as ACVAFS and decided to join in their own form of trade associationalism to build a more unified voice with government and business.

In late 1950, a new consortium of Protestant churches encompassing the Foreign Missions Conference and eleven other groups formed as the National Council of the Churches of Christ in the USA (NCC-USA) representing 143,000 congregations and 33 million church members across 29 Protestant, Anglican, and Orthodox denominations. The group included ACVAFS member CWS.

The NCC-USA held a strategy meeting at Buck Hill Falls, Pennsylvania in April 1951 in order to examine their plans “in regard to the needs of the peoples in underdeveloped areas . . .

140 Mather, “Citizens of Compassion,” 119-120.
[and] the evolving programs of government.”¹⁴¹ Committees drafted pre-conference papers calling for greater church and voluntary agency participation in technical assistance, urged its members to lobby, and called on Christians to volunteer as consultants and aid workers.¹⁴² However, they also argued for “caution as to political connections [and] most serious caution as to financial relationships.” But in its final report, the churches agreed that accepting financial support from the government might be warranted: “Financial aid for limited, supplementary, and well-defined projects of social welfare may be accepted” as long as it was not “under conditions that would tend to jeopardize the independence of the Church in the determination of its own policies and witness.”¹⁴³

By the early 1950s, several voluntary agencies had started agricultural technical assistance programs overseas, in addition to the long-running efforts of NEF. ACVAFS members such as the USC, AFSC, NCWC, International Committee of the YMCA, World Student Service Fund, and Hadassah were running agricultural, health and literacy programs in many areas of Asia.¹⁴⁴ CARE had barely moved past its internal controversies over becoming a general relief agency when it too jumped into “self-help” programs, which included sending agricultural tools, technical books, and medical equipment (including midwifery kits) overseas.¹⁴⁵

¹⁴¹ NCC-USA, “Consultation on the Churches’ Strategy in Relation to Peoples of Underdeveloped Areas,” January 19, 1951, and NCC-USA Information Service, “Point Four—The ‘Bold New Program’” 30, no. 5 (February 3, 1951), box 6, folder: Voluntary Organization—Churches, both in UD 814, RG 469, NARA II.
¹⁴³ NCC-USA Consultation, “The American Churches and Overseas Development Programs,” page 15, box 6, folder: Voluntary Organization—Churches, UD 814, RG 469, NARA II.
¹⁴⁴ Curti, American Philanthropy Abroad, 580-82, 585-86, 588, 595-96.
¹⁴⁵ Gauer, Selling Big Charity, 98; Curti, American Philanthropy Abroad, 578.
Gauer wrote that the CARE Deputy Director Richard Reuter came to the Midwest to sell CARE’s “big new concept” of “self-help,” particularly for an agricultural training center in the Philippines. By moving past just asking for support for food packages, he recognized that “they needed an infusion of contributed cash in goodly amounts. That could come only from the sources of big money—business and industry.” So Gauer took Reuter around to midwestern manufacturers and television, radio, and newspaper offices. One manufacturer, “[a]n old-time German Graf” harangued them for “pouring relief dollars down ungrateful ratholes.” But they thought they hit pay dirt at a tractor factory where “the captains of industry sat spellbound” through an interminable luncheon. But when it came time to collect the promised $5,000, Gauer discovered that the spellbound captains had instead decided that the University of Wisconsin marching band needed the money for new uniforms—after all they were going to the Rose Bowl that year. Gauer understood that American industries were happy to join in marketing relationships with voluntary agencies, but it was very hard to get them to donate funds to help improve agriculture in far-off lands.146

A different CARE “self-help” project proved to be more interesting to business, but perhaps because it had to do with the direct involvement of its president Murray Lincoln, who leveraged his ties to big business and Midwest farmers. In the early 1950s, he wanted CARE to ship Ferguson tractors to India for agricultural development. But an acquaintance, Leigh Stevens, who Lincoln characterized as a “an unregenerate Republican, about as far right in the Republican party as you can get without falling into the Atlantic,” reminded him that without roads and gas stations the mechanized tractors would do little to help destitute farmers. So they came up with the idea of sending plows with steel points to replace the wooden ones commonly used by Indian

146 Gauer, Selling Big Charity, 56-57.
farmers. Lincoln enlisted his Farm Bureau Insurance Company’s sister cooperative, the Mutual Service Life Insurance Companies, to launch a Plows-for-India campaign. Gauer called it “an ideal promotion” in which the insurance company enlisted their midwestern network of insurance agents who advertised and collected funds and turned it over to CARE to buy and send the plows. The campaign was also popular with these insurance agents’ clients, largely the same midwestern farmers, plow makers, and other agribusiness people hopeful that Indian farmers would soon need more seeds, fertilizers, and other implements to go along with their new plows. Pictures of East Indian farmers with their plows made the front page of the New York Times.\(^\text{147}\)

As with the NEF contract in Iran, the TCA sought out the unique experiences and attributes of specific voluntary agencies to cement deals in countries important to Cold War policy goals. The agreement between the TCA and AFSC in India provides another example, albeit one that also shows the contortions some voluntary agencies underwent to gain contracts while maintaining some semblance of independence from American politics. Wanting to negotiate a technical assistance agreement with India, the TCA approached AFSC which had done famine work there during the war. Although a Quaker organization, AFSC had a reputation for humanitarianism and political neutrality rather than proselytizing, which was prohibited in most cases by the 1950 Indian Constitution. In addition, the Truman administration and TCA had been looking to shore up America’s abysmal reputation for domestic race relations in countries like India where communist messaging on race cut deeply into America’s image.\(^\text{148}\) AFSC had employed an African American couple heading its Calcutta office since 1946.


The AFSC board approved a five-year contract in early 1951, despite serious misgivings by many board members about US Cold War politics. After winning the Nobel Peace Prize in 1947, AFSC had become more vocal in criticizing containment militarism and domestic anti-subversive policies. It rejected the first contract as drafted by the TCA but eventually accepted the India project after preparing a letter to Bennett as an “inseparable part” of their TCA contract. The letter reaffirmed the agency’s interest in Point Four but also emphasized that AFSC was solely interested in humanitarian and peace motives.\textsuperscript{149} In its overtures to countries in Asia and Africa, the TCA thereafter accelerated ways to realize the “great importance in many areas, from the psychological viewpoint, of employing qualified persons of color on [Point Four] projects.”\textsuperscript{150} It also began consciously to seek out stronger relationships with the secular members of ACVAFS at the expense of church-affiliated organizations.\textsuperscript{151}

ACVAFS also sought out support in the form of grants from the large philanthropic foundations, which were highly interested in voluntary agencies increasing their development work. With a Ford Foundation grant, ACVAFS tasked its TAP committee in November 1951 with “interpreting” the voluntary agencies’ role in the “present era of government and intergovernment technical assistance programs.”\textsuperscript{152} Representatives from the NEF, AFSC, USC, and other agencies met in working groups throughout 1952 to research and analyze information on various aspects of technical cooperation. The study concluded that the voluntary agencies were becoming more interested in bringing scientific and technical know-how to foreign peoples, beyond immediate relief, reflecting the new push for developing other societies. The final

\textsuperscript{149} Mather, “Citizens of Compassion,” 139-45.  
\textsuperscript{150} Ibid., 107-109.  
\textsuperscript{151} Ibid., 127-128.  
ACVAFS report stressed—borrowing from CARE’s motto—the “people-to-people relationships” inherent in American food philanthropy and that these reflected American democratic ideals of civic engagement by individual Americans. The reports stated, “It must be remembered that American foreign policy has developed out of [a] religious culture and a democratic environment, so that the basic motives are really no different from those of voluntary agencies.” Therefore, ACVAFS identified its own motives as corresponding to those of the state and that they together wanted to remake the world in America’s self-perceived democratic and moral image. I would add that both the state and food philanthropy also had the goal of remaking global agriculture according to American political-economic practices.

In addition to the government recognizing the unique access and experience that voluntary agencies offered in areas important to its foreign policy goals, the administration also perceived the unique moral influence many groups had with the American people. Thus, along with new contracts, the TCA also asked the voluntary agencies to help “increase public understanding” of Point Four at home and abroad. ACVAFS’s TAP working group again turned to the Point Four Information Service, which helped organize what became regular luncheons, conferences, and workshops throughout the 1950s to share information and coordinate activities about overseas development. Its April 1952 National Conference on International Economic and Social Development aimed to “broaden public understanding” of Point Four and educate Americans on their “stake and responsibility” in technical assistance.

ACVAFS’s TAP working group also debated whether to undertake a national publicity campaign.

156 Mather, “Citizens of Compassion,” 152.
for Point Four with the Ad Council to bolster the legitimacy of technical cooperation as sound American foreign policy. After arguments broke out among its members over whether to stress the state’s foreign policy goals or simply the “folklore” of missionary work and voluntarism, ACVAFS gave up the publicity idea.

Exacerbating the politics around more active publicity for technical cooperation programs were a controversial series of policy and bureaucratic changes reflected in the Mutual Security Acts of 1951 and 1952. These changes challenged voluntary agency support for the administration’s foreign policy goals. In October 1951, Congress enacted the Mutual Security Act of 1951 to provide military, economic, and technical assistance to help poorer countries resist communist threats. It in effect replaced the Marshall Plan, transferring ECA efforts to the newly created Mutual Security Agency (MSA). In essence, it also superseded Point Four enacting legislation by combining the efforts of the TCA with the MSA. It moved ACVFA under the purview of the MSA, although the State Department’s Ringland continued as its executive director. The acts caused consternation in both defense and foreign aid circles as the objectives of the Cold War became increasingly blurred between defense and technical assistance. Before his death, Bennett succeeded in getting the TCA some autonomy while still benefitting from a significantly increased budget with the Cold War emphasis on security in Africa and Asia.

Some voluntary agencies still expressed deep concerns, but the importance of contracts and freight subsidies to their bottom lines started a new round of contentious lobbying. AFSC

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157 Minutes of the TAP Study Working Group on Publicity, May 9, 1952, box 114, folder: TAP Study—Group on Publicity 1952, MC 655, Rutgers SC/UA.
159 McVety, Enlightened Aid, 113-14.
and LWR both protested the MSA shift within the government. AFSC went so far as to decline a new TCA contract for Pakistan modeled on its work in India. The Quaker group considered pulling out of its TCA contract in India as well, but decided to remain due to financial constraints in obtaining private funding. \(^{160}\) Adding to AFSC’s consternation was a new MSA provision making security background checks a stipulation for its employees to work on government contracts. AFSC refused to comply. Even CARE, normally ready to work in support of government interests, balked. On this issue, concerted action on the part of several voluntary agencies made the state back down.\(^{161}\)

ACVFA reminded its registered agencies that, according to MSA legislation, the ECA-funded freight subsidies would expire in mid-1952. It warned the voluntary agencies that the government planned to tie future freight subsidies to a determination of whether “such assistance will strengthen the security of the United States” and only if “the recipient country has agreed to join in promoting international understanding and good will, and in maintaining world peace.”\(^{162}\) In 1952 legislation, lawmakers considered adding a new provision for freight subsidies for the voluntary agencies.\(^{163}\) Seven groups met with Ringland in February 1952 and threatened to decline the subsidies unless subsidies were granted “on humanitarian need in relation to economic assistance . . . rather than on the basis of the security interests of the United States.”\(^{164}\) ACVFA helped to lobby Congress on the issue noting that, between July 1948 and December

\(^{160}\) Mather, “Citizens of Compassion,” 160, 166.
\(^{162}\) Mather, “Citizens of Compassion,” 159-160.
\(^{164}\) Mather, “Citizens of Compassion,” 161. The agencies that met with Ringland were AFSC, JDC, Brethren Service Commission, CWS, LWR, MCC, and NCWC-WRS.
1951, the $6.1 million in subsidies given the voluntary agencies had helped to transport overseas 371 million pounds of food, clothing, and medicine valued at over $119 million.165

The new Section 535 of the Mutual Security Act of 1952 designated just under $2.6 million in ocean freight subsidies for voluntary agencies for just eight countries: Germany, France, Italy, Greece, Austria, Trieste, Formosa (Taiwan), and India, with the possibility of extending subsidies for Israel and “the Arab States.”166 It didn’t expand the freight subsidies to the number of countries and in the amounts wanted by the voluntary agencies, but it was nevertheless a victory for the joint advocacy of ACVAFS and ACVFA.167 It also transferred authority to pay subsidies from MSA to the State Department, considered a win by ACVFA in its close relationship with ACVAFS.168 For all the consternation, the MSA Acts of 1951 and 1952 did nothing to stall the shipment of food and technical aid abroad. In 1952, some $383 million in surplus food and agricultural commodities were shipped to foreign countries.169 But politics would continue to create tensions between philanthropic and governmental agendas. In the mid-1950s, the director of Heifer International lamented that with McCarthyism “foreign aid has become a tool in the fight against communism. Political groups abroad quickly learn that if there is no real Communist threat in their countries, they had better create one in order to qualify for American aid.”170

165 Reiss, ACVAFS: Four Monographs, “Material Resources,” 75; Mather, “Citizens of Compassion,” 162.
166 Memorandum from Arthur C. Ringland to ACVAFS Shippers and Purchasers Committee, July 2, 1952, P 1044, box 12, folder: Leg 6 Foreign Assistance Legislation (Mutual Security, Regulations, FY 1947-52), RG 286, NARA II.
167 See McCleary, Global Compassion, 75-77.
170 Thurl Metzger, “Regarding Foreign Aid,” Christian Century 75, no. 37 (September 10, 1958), 1015. President Eisenhower dropped the Point Four name and the TCA became the Foreign Operations
In addition, the expanding scope of technical aid abroad and the use of food surplus led to severe tensions in the commitment to trade associationalism and cooperative business that had made the voluntary agencies successful over the previous several years. CWS and the NCWC left the CARE cooperative in June 1952, largely over the cooperative’s decision to shift to more development work. AFSC and Mennonite Central Committee followed in 1954. In between, CARE changed the E in its title from “in Europe” to “Everywhere.” Because CARE had achieved such a strong brand recognition among Americans, it was garnering a greater proportion of donations, thereby undercutting other large voluntary agencies among its members. These tensions were reminiscent of the animosity of other relief groups to NEF’s brand recognition when it first launched into development work.

CARE was also admitting non-ACVAFS agencies into the cooperative, which CWS and NCWC worried would dilute ACVAFS’s leverage with the US government. The Brethren Service Committee also criticized that CARE’s extensive use of surplus commodities threatened to turn it into a “quasi-governmental agency.” By the time Truman left office in January 1953, the outlines of a new state-philanthropic-business food aid industry was taking shape in terms of complex mutually beneficial agendas. But there was a wide range of responses among the voluntary agencies to this closer cooperation and cracks were forming as some pushed back against the state and each other over competition and perceptions of being co-opted by politics.

Administration (FOA), then the International Cooperation Administration (ICA), and finally in 1961 the US Agency for International Development (USAID).

\(^{171}\) Row to Lincoln, January 26, 1951, box 5, folder: Resignations of CWS/NCWC, CARE Records, NYPL.
The Politics of Food Aid

Recent scholarship has argued that President Eisenhower prioritized domestic priorities over humanitarian ones during his tenure in office; nevertheless, the state-philanthropic-business aid regime which helped to structure both the domestic and global political economies of food was cemented during Ike’s tenure. 172 Food philanthropy was fully steeped in the politics of the political economy during the period, ensuring they would be the conduits to offload food surplus and in remaking global agriculture according to American practices. The Eisenhower administration decided that that full-blown development—not simply small technical cooperation projects—should became a significant portion of foreign aid abroad. This shift was crucially aided by the 1954 Public Law 480’s program of selling more surplus food abroad, thereby garnering soft currency that voluntary agencies increasingly used to pay for more development projects in those countries.

Before Eisenhower’s inauguration, the TCA staffers urged its director Stanley Andrews to negotiate more contracts with voluntary agencies who could provide in-country development aid “better and cheaper” than the TCA. But, in addition to continued pressure for background checks for employees, grants to voluntary agencies came with progressively more political strings. The TCA called for aid groups to agree to avoid proselytization and political activity and to undergo training on TCA’s “objectives and philosophy.”173 Programs also had to be closely

coordinated with other US bilateral aid programs. Voluntary agencies had to be invited by the host countries and use a professional staff as determined by the TCA in conjunction with ACVFA.

Once in office, Eisenhower officials publicly recognized the key contributions of food philanthropy to American foreign policy efforts. Secretary of State John Foster Dulles in March 1953 congressional hearings praised voluntary agencies for carrying out technical cooperation projects “often more effectively than the Government could do it.”174 The MSA Director, former Minnesota governor Harold Stassen, testified that Eisenhower’s eleven-point plan for achieving the “broad security and humanitarian objectives of the mutual security program,” included “broader cooperation with voluntary organizations engaged in similar activities with emphasis on the people-to-people relationship.”175 TCA sent a message to its directors globally instructing them to increase partnerships with American and local voluntary agencies.176 It called for more contracts and increased funding, training, and information sharing, but also more government oversight.177

Congressional testimony of the TCA’s Andrews in June 1953 also illuminates how involved the large philanthropic foundations had become in the network of technical cooperation in developing nations—what he called “a kind of three-way deal” between the TCA, foreign governments, and philanthropy. In India, the government provided buildings and recruited

176 Austin Sullivan to TCA Country Directors, April 8, 1953, box 6, folder: Voluntary Agencies, Policy On, UD 814, RG 469, NARA II.
hundreds of thousands of young men to train in agricultural development; the Ford Foundation gave them scholarships; and the TCA coordinated for technicians and oversight. He described in Mexico how “the Rockefeller Foundation has done outstanding work on the development and introduction of hybrid corn. Mexico wanted to move a little faster than Rockefeller thought they could do. They came to us and said we want some technicians down here, we want some money. . . . So we proposed and Rockefeller Foundation accepted a grant to speed up their work, and Rockefeller has gone ahead and done the work in a very fine and a very grand way.”\textsuperscript{178} Andrews also discussed the “three-way deal” with NEF projects in Iran, explained in a 1956 congressional report: “One interesting example of this is the Veramin Plains project of the Near East Foundation in Iran. This project was begun by the Near East Foundation in 1946 as a kind of experimental and demonstration center for rural improvement in the broad fields of agriculture, health and sanitation, and education. The project is still operated and partly financed by the Near East Foundation, but financing now comes from three other sources as well: the United States Government, through a contract between ICA [successor to the TCA] and NEF; the Ford Foundation, through grants to the Iranian Government which in turn contributes the grants to NEF; and the Iranian Government which makes additional contributions from its own funds. . . . One advantage of the contractual arrangement, as seen by these officials, is that if an experiment did not work, its failure was no reflection on the United States; whereas if it did work, it could be picked up and used elsewhere by both the United States and the Iranian Governments.”\textsuperscript{179} By the


mid-fifties, the politics of food aid was already reflecting a complex set of actors involved in structuring the political economy of food abroad.

With the backdrop of Stalin’s death in March 1953, his “Chance for Peace” address in April, and his New Look policy, Eisenhower began a series of executive actions to improve coordination of military assistance and technical assistance in support of his Cold War foreign policy. With the backdrop of Stalin’s death in March 1953, his “Chance for Peace” address in April, and his New Look policy, Eisenhower began a series of executive actions to improve coordination of military assistance and technical assistance in support of his Cold War foreign policy. Ultimately, Reorganization Plan Number 7 abolished both the MSA and TCA and transferred its functions to the new Foreign Operations Administration (FOA) effective August 1, 1953. Eisenhower also revived the International Development Advisory Board (IDAB), which had been dormant since the end of Truman’s administration.

As with Truman’s mutual security reorganizations, many voluntary agencies expressed strong reservations about the changes. Their leaders, acting as consultants to the TCA, warned that the moves threatened to derail voluntary agencies’ progress at the “grass-roots level” in countries suspicious of political motives. Dr. Walter Van Kirk of the NCC notified Eisenhower and Stassen that his Protestant constituency “had genuine concern” about mixing humanitarian and political motives in the same agency. Stassen met with aid groups to gain their support by declaring it was FOA’s intention to increase reliance on private organizations such as voluntary agencies and academic institutions. Stassen also reached out to the

180 These actions included EO 10458 on June 1, 1953, which removed the TCA from the State Department and placed it under the MSA and Eisenhower’s notice to Congress about creating the FOA, see Mather, “Citizens of Compassion,” 177.
182 Board of Consultants to the Food, Agriculture and Resources Development Staff to Clayton E. Whipple, “Observation and Recommendation,” February 11, 1953, box 6, folder: Voluntary Agencies, Policy On, UD 814, RG 469, NARA II. For more on these private sector consultants to TCA’s Food, Agriculture and Resources Development Staff, see Shenin, The United States and the Third World, 167.
184 Memorandum from Austin P. Sullivan to Charles P. Taft, February 17, 1955, P 1044, box 13, folder: Committees—ACVFA—Meetings, RG 286, NARA II; Paul Kennedy, “Concept and Scope of Point 4
influential Point Four Information Service to stress that the moves were for “integration, not subordination” of technical assistance with other policies.\textsuperscript{185} Stassen’s headaches worsened when Paul Kennedy of the New York Times piled on criticism with a series of articles that decried how Truman’s popular “humanitarian undertaking, not without elements of enlightened self-interest. . . . is fast becoming an instrument of America’s ‘cold war’ policy.”\textsuperscript{186} Editors of \textit{The New York Times} agreed that the new mutual security concept threatened to turn Point Four into a “grudging and materialistic Point Two and A Half . . . limping out into the world as an expression of today’s Americanism.”\textsuperscript{187}

ACVAFS reacted with a series of meetings and working groups to draft a coordinated—but ultimately contorted—position paper protesting the moves while still acknowledging that “cooperation with government as well as inter-government activity [was] a foregone conclusion.”\textsuperscript{188} Despite members’ consternation, Dr. Wynn C. Fairfield, ACVAFS Chairman and head of CWS, argued that the position paper should stress “that the private agency is ‘complementary’ to government rather than ‘supplementary.’”\textsuperscript{189} The final version, unanimously approved by the Council in January 1954, emphasized the strengths of voluntary agencies’ “people-to-people relationships” and “living evidence” of American values. But it also acknowledged that voluntary agencies were constrained by “their inevitable tie with

\textsuperscript{185} Mather, “Citizens of Compassion,” 183.


\textsuperscript{188} Mather, “Citizens of Compassion,” 184; Minutes of ACVAFS Executive Committee Meeting, September 29, 1953, box 8, folder: EXCOM Minutes (1953), MC 655, Rutgers SC/UA.

\textsuperscript{189} Mather, “Citizens of Compassion,” 189; Minutes of ACVAFS Executive Committee Meeting, November 24, 1953, box 8, folder: EXCOM Minutes (1953), MC 655, Rutgers SC/UA.
governmental policy” and that government resources had proved critical to their ability to continue and expand their work. However, the paper ended by trying to take a clear stand: “agencies have guarded zealously their independence from government control, for their continued existence required they maintain their basic approach of disinterested concern to meet pressing human needs.”

That winter a few ACVAFS agencies, including the AFSC and LWR, declined participation in FOA’s holiday relief program Operation Reindeer due to fears about growing government emphasis on psychological warfare. But CARE was willing to work closely with the FOA on the Christmas program, particularly when FOA enlisted the Ad Council’s publicity for CARE’s packages. The Ad Council already supported CARE in its regular Christmas drive, but added a nationwide campaign involving public schools, churches, department stores, and a slew of events. The Christmas efforts proved successful; FOA and CARE distributed 4 million packages to twenty countries throughout Western Europe, the Middle East, and Latin America.

Once again, the state also threatened the voluntary agencies over their coveted ocean freight subsidies. FOA reminded ACVAFS agencies that in order to receive the subsidies, they had to use new FOA labels. The labels showed clasped hands against a red, white, and blue

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191 Mather, “Citizens of Compassion,” 171, 184. Lutheran World Relief and the American Friends Service Committee declined to participate. Of the ACVAFS members approached by Stassen, only CARE, American Middle East Relief, and Hadassah ultimately participated.
192 Ibid., 185.
shield evoking the American flag.\textsuperscript{194} ACVAFS responded, “Voluntary agency supplies [had] greatest value when identified as gifts from the American people and not associated with a government program.”\textsuperscript{195} FOA eventually bowed to ACVAFS pressure and accepted a compromise label that looked similar to Marshall Plan packaging. The label retained the American shield and clasped hands but added the phrases “Voluntary Gift of the American People” and “Ocean Freight Paid by the USA.”\textsuperscript{196}

Public Law 480 Enshrines Food Philanthropy in the Political Economy of Food

What became most important to food philanthropy in the 1950s were Eisenhower’s and the farm bloc’s efforts to deal with the continuing agricultural surplus headache. With the end of the Korean war, food surplus again surged. Eisenhower faced the twin imperatives of bolstering the food economy and countering the spread of Cold War tensions into Central and Southeast Asia, the Middle East, and Latin America. In June 1953, in the midst of providing food to support anti-communist foreign policy in Pakistan and to East Germans, Eisenhower asked Congress for blanket authority to use surplus CCC commodities in response to overseas food emergencies without specific congressional authorizations and appropriations. Within a month, Congress approved the request with a cap of $100 million and only for food aid to “friendly,” or non-communist, countries. In mid-1953, Congress went further and reauthorized the Mutual Security Act with a new Section 550, which allowed the President to enter into agreements with

\textsuperscript{194} Patterson to ACVAFS Shippers \& Purchasers (S&P) Committee, December 7, 1953, box 84, folder: Shippers Purchasers Committee—Memoranda (1953), MC 655, Rutgers SC/UA.
\textsuperscript{195} Mather, “Citizens of Compassion,” 191; Minutes of ACVAFS Executive Committee Meeting, February 24, 1954, box 8, folder: EXCOM Minutes (1954), MC 655, Rutgers SC/UA.
friendly countries for the sale of surplus agricultural commodities for local currencies totaling
“not less than $100,000,000 and not more than $250,000,000.” He also had to “take special
precaution to safeguard against the substitution or displacement of usual marketings of the
United States or friendly countries” and to give “appropriate emphasis” to developing new
markets for US goods. The MSA could then use funds raised in local currencies for military
assistance to recipient countries, purchases of goods and services—particularly strategic goods,
development loans to increase production of goods and services in those countries, developing
new markets, and grants-in-aid to increase production for domestic needs in friendly countries.197
These last categories would become crucial in allowing voluntary agencies to use soft local
currencies to finance agricultural development projects in those countries.

AFBF favored Section 550 of the Mutual Security Act and another bill working its way
through agricultural committees, the Schoeppel bill, a bill that similarly sought to sell surplus for
soft currency and that would eventually become PL 480. The influential farm lobby thought such
programs would do much to stimulate future markets and trade—particularly in exporting the
tools of agribusiness and its expertise to the developing world.198 The proposal was projected to
increase the drawdown of CCC surpluses by $500 million.199 The Mutual Security Act of 1954’s
section 402 replaced Section 550, upholding the purpose but adding more money to buy surplus
agricultural commodities.

CARE lobbied in favor of Section 550 and urged Congress to give the President more
leeway in disposing of food surplus and for its use to spur development projects, particularly by
using voluntary agencies. Reminiscent of NER campaigns in the 1920s, CARE argued that such

197 Riley, The Political History of American Food Aid, 169, 177-178, 184-185n39
198 US Congress, Senate, “Mutual Security Act of 1953,” Hearings before the Committee on Foreign
Relations, Senate, May 5-8, 11-16, 18, 19, 23, 25, 27, 29 (Washington DC: GPO, 1953), 608, 615-616.
measures would help create new markets: “I am quite sure that the distribution of powdered milk to schoolchildren all over the world . . . would create a taste for milk, a desire for milk, which would create new markets.” By selling surplus in local currencies, there would then also be funds to increase development projects to teach local communities better agricultural techniques—and buy the agricultural technology to go with it. CARE stressed that current authorizations for making surpluses available to voluntary agencies contained in section 416 of the Agricultural Act of 1949 stipulated that the foods must be in imminent danger of spoilage, leaving nonperishable grains and other foodstuffs unavailable. It also made foreign distribution the last priority. CARE reminded Congress that surpluses were only growing and that Congress should consider “the permanent or semipermanent nature of surpluses.” CARE urged Congress to consider these surpluses a blessing that the nation could use to feed hungry people while also developing their agriculture for long-term food security.200

But the legislation that finally fulfilled voluntary agencies’ lobbying for greater access to agricultural surplus was passage of the Agricultural Trade Development Assistance Act of 1954, more familiarly known as PL 480 and which created what became known as the Food for Peace program. In that historic legislation, the Eisenhower administration used agricultural legislation to enshrine both the offloading of agricultural surplus and its use as a foreign policy tool—expanding how voluntary agencies could obtain, move, and distribute surplus while creating funds to increase development work over the next several decades. By passing the legislation through the agricultural committees, the administration, farm bloc, and voluntary agencies got around State Department and foreign affairs committee opposition to moving greater volumes of

surplus through the Mutual Security Act, largely due to their fears that dumping food in Third World markets would upset allies.201

In the politics of bolstering the domestic political economy of food and exporting the American food system abroad, the legislation was thoroughly calculated to leverage the unique influence and attributes of food philanthropy. Eisenhower’s recently formed Operations Coordination Board (OCB), tasked with covert operations and coordinating national security operations, said “that incorporating voluntary agencies and their people-to-people approach into a surplus disposal program would bolster a “climate of opinion” for achieving US goals abroad.” Surplus food distribution would strengthen Cold War policies and “capitalize on any situation which can be exploited to the political or psychological advantage of the US”202 Like Truman, the Eisenhower administration and the American people were receiving negative press—particularly in the developing world—over civil rights issues and racial injustices.203 Policy supporting the image of a benevolent empire was considered in its best interest.

PL 480 established the “commodity set-aside” which was “a legislatively determined cache of CCC-owned surplus commodities” that could not be allowed to get into the domestic market and therefore depress farm prices.204 As voluntary agencies had lobbied for with Section 550 of the MSA, it allowed the sale of CCC-surplus to foreign countries for local currencies or in exchange for natural resources. According to Eisenhower, the purpose of the legislation was to “lay the basis for a permanent expansion of our exports of agricultural products with lasting

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201 Wallerstein, *Food for War—Food for Peace*, 35
202 Mather, “Citizens of Compassion,” 205-06.
benefits to ourselves and peoples of other lands.”

PL 480 made them available for the MSA Section 550/402 export programs and Section 416 of the Agricultural Act of 1949’s relief programs. Title I of PL 480 authorized the sale of surplus commodities to foreign governments in exchange for payment in local currencies. Titles II permitted emergency donations of food to disaster or famine victims both at home and abroad, with a stipulation that the President utilize voluntary agencies to the greatest extent possible. Title III allowed the CCC to give surplus to voluntary agencies involved in domestic and foreign food aid. And the ability to garner local currencies meant that voluntary agencies could significantly increase agricultural and other development projects abroad. Food philanthropy was a conduit of disposing surplus but also a key factor in trade promotion. Eisenhower declared the purpose of PL 480 was to “lay the basis for a permanent expansion of our exports of agricultural products with lasting benefits to ourselves and peoples of other lands.”

ACVAFS led its members in lobbying for PL 480, although there was disagreement as some agencies worried that becoming more involved in distributing the staggering volume of surplus could lead to, in the words of an agency director, “a complete breakdown of our public assistance system.”

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207 More specifically, Title I authorized the Commodity Credit Corporation (CCC) to extend loans that were repayable with local currencies (since few countries had enough US dollars to pay for these purchases). American corporations negotiated sales with foreign governments and then received immediate payment from the US government. The foreign government had forty years to repay the loan with local currencies—which were in turn used to fund development activities within those nations, see David S. McLellan and Donald Clare, Public Law 480: The Metamorphosis of a Law (New York: McGraw-Hill, 1965) 5-6.
208 Senate Committee on Agriculture and Forestry, American Foreign Food Assistance, 5-6. Title III also authorized the president to barter agricultural commodities for strategic materials.
food surplus would detract from their burgeoning agricultural development programs; others thought the UN was better suited to the mission. A few voluntary agencies reiterated the need to retain their “independent status” from government control. Some groups argued that they had to be involved lest CARE use its connections and fame to corner the surplus. NCWS (in the process of changing its name to Catholic Relief Services (CRS)) therefore encouraged the ACVAFS to support a plan in which voluntary agencies accepted government funding to distribute parts of the surplus overseas. CWS officials felt the same way, particularly to support its Christian Rural Overseas Program (CROP).

As it had for other government initiatives, CARE spearheaded a public campaign for Americans to support the legislation. French published a statement in February 1954, “The Farm Surplus and Hungry People,” urging the “humanitarian and spiritual” imperative that US food surplus be used to feed hungry people throughout the world. He also echoed the administration’s Cold War objectives: “our most potent weapon is man’s will to defend his freedom. Empty stomachs are fertile mass breeding grounds for communism.” He said that voluntary agencies—particularly CARE—provided a valuable way forward because of their considerable experience, person-to-person focus, and record of accruing good will for the United States. In response,

210 Smith, More Than Altruism, 57.
211 “Meeting of the Advisory Committee on Voluntary Foreign Aid, March 16, 1954,” P 1044, box 13, folder: Committees—ACVFA—Meetings, RG 286, NARA II.
212 Reiss, ACVAFS: Four Monographs, “Material Resources,” 82-85. Christian Rural Overseas Program (CROP) began its operation in August 1947 under the sponsorship of Church World Service. A year later Lutheran World Service and the Catholic Rural Life Conference became co-sponsors, but withdrew in 1952. CROP was organized to solicit and receive bulk gifts-in-kind from American farmers during the harvest season for needy people overseas.
Secretary of Agriculture Ezra Taft Benson informed French that CARE would receive “every consideration” in pending PL 480 programs.214

ACVAFS drafted a position paper in support to inform its members’ lobbying efforts for legislation. “The Moral Challenge of American Abundance” stressed the voluntary agencies’ historic role in linking “the mountain of surplus foods in the United States and the masses of uprooted and needy peoples of the free world.”215 ACVAFS also continued to push the state to make more types of commodities available—such as wheat, corn, and dried beans—while also expanding ocean freight subsidies.216 The target of much of the voluntary agency lobbying, the House Agriculture Committee, according to one FOA official, “went a long way in giving the agencies everything they asked for.”217 The government began paying inland transportation from CCC storage facilities to shipment points in addition to subsidizing ocean freight for the voluntary agencies. The Secretary of Agriculture was also later empowered to release non-perishables as well as perishables.218

In their approaches to the PL 480 legislation, CARE and ACVAFS showed the tensions among the voluntary agencies over emphasis on Cold War and American economic issues (CARE) versus a more humanitarian focus (ACVAFS’s religious members). In lobbying, the “expansionists” were CARE and CRS and the “anti-expansionists” were LWR and, intermittently, CWS.219 CARE left ACVAFS at the end of 1954 over tensions with the other big

214 Ezra Taft Benson to French, February 19, 1954, box 26, folder: Proposal by Paul Comly French 1954, CARE Records, NYPL.
215 Meeting of the Advisory Committee on Voluntary Foreign Aid, March 16, 1954, P 1044, box 13, folder: Committees—ACVFA—Meetings, RG 286, NARA II.
218 Sullivan, Politics of Altruism, 49.
219 Sullivan, Politics of Altruism, 343-44.
voluntary agencies and because of its own national brand success. But when French resigned in 1955 over the CARE board’s push to streamline operations, the new Director Richard Reuters smoothed the way for CARE to rejoin ACVAFS in 1956.220

As noted previously, several scholars have argued that domestic politics and political-economic concerns factored much more than humanitarian concerns in passage of PL 480.221 The farm lobby, particularly AFBF, worked tirelessly for the legislation.222 But this analysis ignores what a tremendous impact this law had on expanding the role of food philanthropy in both the political economy of food in the US and as a tool of American foreign policy. It also set up a huge expansion in development aid that would remake agriculture in many parts of the globe. CARE and CWS made immediate use of the surplus, and CRS was the agency that expanded most rapidly with an infusion of new resources.223 Technical cooperation projects with the state also increased when FOA announced a $1 million reserve fund for contracts with voluntary agencies. By September 1954, 33 voluntary agencies had expressed interest in new projects, with the NEF, USC, YWCA, and the National Catholic Rural Life Conference already expanding operations for contracts in Afghanistan, Cambodia, Liberia, and British East Africa.224

At the grass-roots level, the availability of food surplus was a tremendous resource for food philanthropy—both as much-needed resources to feed the hungry overseas and in its

221 See for example Peter A. Toma, The Politics of Food for Peace: Executive-Legislative Interaction (Tucson: University of Arizona, 1967), 39-40; Ahlberg, Transplanting the Great Society, 19-22; Ruttan, United States Development Assistance Policy. 19, 80-81.
223 Sullivan, Politics of Altruism, 40.
224 “Advisory Committee Meeting Outline, September 29, 1954,” P 1044, box 13, folder: Committees—ACVFA—Meetings, RG 286, NARA II.
popularity with rural America. Harold Gauer wrote that in 1954: “The promised windfall of US Government “surplus” did at last blow in and settle in windrows upon the folks in the voluntary foreign aid game. It was an event of huge significance that at once made the job of selling food relief easier, because there was a lot more for the money, and because it opened up more avenues of publicity and promotion. . . . It was the signal for an all-out media blitz as fall edged closer to winter and there was the writing of live radio copy, the pasting up of balop cards for television, a matting of public service advertisements for newspapers and the making of contact with organizations, groups and associations.”

Gauer and voluntary agencies like CARE recognized agricultural surplus as a tremendous resource infusion to grow their businesses and in making foreign aid more popular to the rural folks in the Midwest.

Food surplus was also the primary means which food philanthropy used to work with the state and business to structure the domestic political economy of food and to export it globally. PL 480 became the cornerstone of the state-philanthropic-business structuring of the political economy of food through the 1980s. In 1953, the total tonnage of food shipped by voluntary agencies overseas was 140,000 tons; by 1956 it had jumped to 610,000 tons, valued at $754.3 million. Congress paid the full cost of freight. Through the 1960s, taxpayers heavily subsidized approximately 20 to 30 percent of US food exports. Between 1954 and the end of the 1960s, over 30 billion pounds of agricultural commodities, with a value of over $14.4 billion, had been distributed by voluntary agencies. By the late 1960s, over a dozen voluntary agencies participated in the program, but the five largest—CARE, CRS, CWS, LWR, and JDC—handled

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225 Gauer, Selling Big Charity, 74.
226 Smith, More Than Altruism, 52.
over 95 percent of the total. The soft currencies garnered through surplus helped these same groups teach farmers globally how to emulate American food production using the abundance of its agribusiness technology.

The state continued to tinker with its foreign aid bureaucracy in the 1950s and 60’s, but its relationships with food philanthropy only strengthened. In 1960, philanthropic lobbying for development programs finally came to full fruition with the Food for Peace program put under the new USAID. Responding to a growing awareness of the needs of the poor nations of the world, the congressional agriculture committees redirected PL 480 to emphasize the humanitarian and development aspects of the program, and less so Cold War interests.

The historical data captures how important efforts in the 1950s and 1960s were to the bottom lines of the voluntary agencies and to their being able to build food philanthropy into a huge philanthropic food aid industry. Government resources became an increasingly larger share of voluntary agencies’ revenue from 1946 to the 1980s. Government aid was approximately 10.5 percent of their total income from 1946 to 1953. By the mid-sixties it rose to 20.2 percent on average and by 1973 it was 27.5 percent. Roughly two-thirds (65.1 percent) of this support ($418.9 million) was in donated food and excess property or overseas freight reimbursements for shipping. The other third ($224.6 million) was in government grants or contracts for development assistance. In 1980, one-fifth of the combined budgets of US voluntary agencies working in developing nations was covered by USAID; that share increases to one third if food surplus is included. Besides USAID support, voluntary agencies today are also supported with

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228 Smith, More Than Altruism, 57n30; Sullivan, “Politics of Altruism,” 766.
230 Smith, More Than Altruism, 64. In dollars, the 10.5 percent reflects $525.9 million of $5 billion, the 20.2 percent reflects $282.8 million of $1.4 billion in 1964, the 27.5 percent reflects $643.5 million of $2.3 billion.
grants from other agencies: Departments of Commerce and Education, National Endowments for the Arts and for the Humanities, National Science Foundation, and from government lending institutions.\textsuperscript{231}

Another fascinating chapter in the state-philanthropic-business tripartite aid story involves government grants and contracts to commercial businesses for technical aid. Between 1951 and 1956, the TCA allocated $233 million in private contracts for technical aid abroad through US private organizations, roughly half of which went to voluntary agencies, universities, labor groups, and research organizations. The other half in private contracts were awarded to “commercial firms, such as the United Fruit Company in Central America, the rubber companies in Liberia and the oil companies in the Middle East building schools, roads, and other projects of self-interest.”\textsuperscript{232} In the next chapter, we will see how commercial businesses often worked with food philanthropy in complex relationships pursuing agricultural development.

Food philanthropy lobbying and trade associationalism continued to develop more sophisticated arms through the 1970s. In 1974, CWS in collaboration with LWR established the Development Policy Office as a separate lobbying arm in Washington.\textsuperscript{233} After considerable lobbying by another consortium of philanthropic groups, the Coalition of Concerned Charities, the Tax Reform Act of 1976 better defined “substantial” with actual measurements in terms of lobbying dollars and much of the debate again centered on the “direct interests” of the 501(c)3 organizations’ lobbying activities. Senator Edmund Muskie argued that the “substantial” limitation “has had a severe impact on the ability of charitable and public groups to participate meaningfully in the formulation of public policy.” The history of philanthropic lobbying

\textsuperscript{231} Bolling and Smith, \textit{Private Foreign Aid}, 186-188.
\textsuperscript{233} “History of Church World Service,” https://cwsglobal.org/about/history/.
described in this chapter would tend to contradict that argument, and the new law’s exceptions continued to give great leeway in interpretation and enforcement of lobbying by philanthropies.234 Finally, a new voluntary agency federation, Private Agencies in International Development (PAID), emerged in 1980 to help shepherd the interests of newer voluntary agencies and mobilize them as stakeholders in US development policy. In 1984, prompted by the recognition that a lack of voluntary agency coordination had hampered famine relief efforts in Ethiopia that year, ACVAFS and PAID merged to create the American Council for Voluntary International Action (InterAction) which exists as a powerful voluntary agency umbrella body today.235

The history of voluntary agencies’ political activity from World War II to the late 1950s demonstrates their pivotal role in development of a new state-philanthropic-business food aid industry that was firmly planted by the 1960s. Adopting business practices like trade associationalism, cooperatives, lobbying, and networking from the grass-roots to the nation-at-large built these voluntary agencies into sophisticated corporations able to leverage collective power in the politics of the political economy of food and in its uses as a foreign policy tool. Food philanthropy also had attributes that made it unique in the American political economy and which the state and business interests quickly perceived as having symbiotic goals. Facing Cold War imperatives to rebuild the global economy and entice poor nations to the side of democracy


and capitalism in the process, the state required foot soldiers ready with food and plows not
guns—although there were plenty of the latter too. With their experienced and ready manpower,
nascent organizational structures and ties in the developing world, the state recognized the value
of food philanthropy to carry American humanitarian foreign policy to strategic areas. That the
voluntary agencies also had moral authority to sell many Americans on foreign aid programs and
to help alleviate the domestic crisis in agricultural surplus were added inducements to partner.

Voluntary agencies recognized that in order to fulfill their calling to alleviate suffering,
they needed resources just as any business does. The grass-roots marketing of people like Harold
Gauer did its part in convincing many Americans to help others. But it was in food politics that
voluntary agencies became intertwined with the state and business in structuring the political
economy of food in the US and taking it abroad in the twentieth century. In the next chapter, we
see how they also delved in the politics of the political economy of food overseas, engaging in
complex experimentation to export America’s entire way of producing food. American voluntary
agencies and their modern counterparts in international NGOs have become part of modern
American empire, influential in every corner of the world today. Harold Gauer ended his tongue-
in-cheek memoir by turning serious about his life’s work. He said that “we could not do anything
about the military or political or even the economic causes of the world’s ills, but we could apply
the salve of charity.”

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236 Gauer, Selling Big Charity, 333.
Chapter 4

“Creative Capitalism”:
Nelson Rockefeller’s Development Vision for Latin America and the World

“Capital must serve and NOT exploit the interests of the people.” Nelson Rockefeller

![Figure 9. Nelson Rockefeller examining a coffee tree in Brazil, 1950.](image)

In 1935, twenty-seven-year-old Nelson Rockefeller joined the board of directors for Creole Petroleum, an American oil company operating in Venezuela and a subsidiary of Standard Oil of New Jersey, one of the many oil companies resulting from the trustbusting of his grandfather’s original oil empire in 1911. In 1937 and again in 1939, Rockefeller travelled to

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2 Photograph, box 24, folder 386, series 2, RG 1008 NAR, FA 455, Nelson A. Rockefeller Photographs, RAC.
Venezuela to see their operations firsthand. There he found problems both internal to the company and in the political economy of the country. The oil camps were surrounded by wire with squalid villages outside. Creole had been importing American roughnecks to do the work, but “they were always getting into trouble and having to be shipped back.” A new company President, Henry Lyman, who had worked his way up from a roughneck, started training local Venezuelans as labor. After 15 years, he saw that men hired by the oil companies put on 30 pounds in their first year of work and their children living inside the oil camps “ranged from more than half a foot taller than their parents” due to better nutrition. Creole spent considerable effort on stocking camp commissaries, housing, recreation, home demonstration, schools, vocational training, and health in order to develop an adequately healthy labor force.3

But Rockefeller still found considerable fault with how American companies were representing the US abroad and interacting with local hosts. He related the story of a US businessmen’s wife at dinner in Caracas in 1939. With his limited Spanish, Rockefeller had been translating between her and a local political leader all evening. When he asked her how her Spanish was coming along, she was dumbfounded that he thought she would be learning Spanish: “Who would I talk to if I did?” She had been in Venezuela for ten years and in Latin America for eight years before that. Rockefeller told this story as representative of the lack of interest and responsibility that Americans often for the countries in which they lived and made money.4

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4 “Memorandum of my conversation with Mr. and Mrs. Monahan,” February 7, 1949, box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
Back in New York, Rockefeller began lobbying American oil executives to improve the living standards in their Venezuelan operations and lectured them about the “social responsibility of corporations.” Rockefeller developed a “whole philosophy about our relations with US corporations operating abroad and that we were pretty insulated from the people.” He believed that unless corporations conducted themselves so that foreign peoples thought that it was in their best interests to have them in their countries, the companies would eventually be thrown out. He said that one of the oil executives joked that he was talking like a “communist,” but a few months later Mexico expropriated American oil properties.5

From Creole’s experience in Venezuela, Rockefeller also learned that US companies needed local economies that could produce the hale and hearty workers that industrialization required. Venezuela had frequent food shortages and poverty-stricken rural areas with inadequate nutrition. With more oil company money in Venezuela over the previous 15 years, standards of living had gone up for urban and industrial workers but not for the 80 percent of people living in rural areas. Farmers had issues producing, transporting, and storing food so that food availability and prices were the most expensive in the hemisphere.

So, as the US state, commercial interests, and food philanthropy wrangled over politics in the years after WWII for how best to export the American food political economy abroad, Nelson Rockefeller embarked on his own experiment for improving agricultural production and standards of living in poor areas of the world. His laboratory would be the region he knew well heading the wartime IIAA, itself an experiment in government-funded development in Latin America. Rockefeller’s vision of “creative capitalism” meshed development work into a complex

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system of philanthropic and commercial corporations engaged in trial-and-error projects to figure out how to develop perceived underdeveloped economies. His enterprises were funded by US oil companies, family wealth, and host-nation contributions, and they worked with a web of agribusiness and research entities. With the announcement of Point Four, Rockefeller delved into the politics of food aid to urge and model for the US government how to make creative and robust use of American philanthropic and commercial expertise to implement this new strategic objective. But he also recognized that the US state had significantly deeper pockets, and eventually his philanthropies also tapped into Point Four contracts to carry out their work.

This case study of the philanthropic AIA and commercial IBEC, along with Rockefeller’s corollary nonprofit corporations, is an understudied chapter of history examining how one philanthropic pioneer negotiated the byzantine politics involved in international food development—meshing food philanthropy, business, and state to restructure the political economies of food in Latin America. The previous chapter establishes how entangled the politics of the political economy of food became domestically, and this chapter exposes how convoluted it became abroad. This history illuminates how politics in the political economy of food went beyond power relations with the state to encompass the jockeying for influence carried out by food philanthropy, business, and many other actors at home and abroad. It adds greater consideration of commercial entities in this history, providing insights into how food industries worked with food philanthropy and the state in the politics of exporting the American food political economy overseas. It also incorporates corollary food philanthropic organizations such as Rockefeller’s agricultural research corporation, IBEC Research Institute, and the nonprofit

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6 For the term “Creative Capitalism,” see “Outline” of Monahan book, box 18, folder 112, Nelson A. Rockefeller Personal Archives, RAC.
corporations that spun off to manage development projects, with attendant issues of maintaining tax-exemption.

As ACVAFS voluntary agencies had done, Rockefeller offered his enterprises to serve as a geopolitical arm of the US state and business—albeit as a more complicated philanthropic-business experiment—and urged the American state to make use of other philanthropic and commercial groups in the same way. Just as NEF did in the Near East, this history shows how AIA, together with IBEC, and their various off-shoot corporations delved into foreign politics as philanthropic diplomats to remake Latin American political economies of food. As with American political-economic development, the goal was to provide cheap and plentiful food to fuel industrialization and raise living standards. And, as with nearly all philanthropic endeavors abroad, this transpired against the backdrop of foreign political challenges, in this case related to anti-imperialism and the Cold War.

This history illuminates several important aspects of the political-economic complexities of food and its politics as they evolved over this period. First, Rockefeller’s thinking provides a window into the intellectual history behind the American project to remake global food production modeled after the American capitalistic political economy of food, with perceived socio-economic and political benefits for the US as well as for disadvantaged people abroad. Second, this history shows just how overlapping and porous the boundaries of philanthropic and commercial agricultural development work became and eventually how intertwined with the politics of the US state, host-nation governments, and regional and international political organizations. Third, this story demonstrates how Rockefeller and his enterprises influenced the politics and implementation of Point Four in exporting the American political-economic system of state, business, and food philanthropy working together to remake food production abroad.
But it also shows the difficulties of shaping agricultural and economic development abroad when conducted by small philanthropic corporations and corporate capital—even with the backing of the Rockefeller wealth. These limitations compelled AIA to seek Point Four, UN, and other funding as the massive scope needed to transform underdeveloped areas required much greater resources than it could apply. Fourth, it gives historical context to how the US—in state, philanthropic, and business endeavors—sought to transform the underdeveloped world in the American image economically, politically, and socially. The goal was to export scientific agriculture to support industrial development in poor countries in the way that American agriculture had produced bountiful and cheap food to support its own industrial productivity. As with NEF, Rockefeller sought to embed rural community development into local bureaucracies in order to raise living standards and create a solid middle-class society that could then promote political stability and participate in the global economy. Rockefeller and others considered both American philanthropic and civil society organizations as well as capitalist businesses critical to showing these societies how best to develop prosperity and stability. They viewed this as particularly important in the face of decolonization and the lure of alternative communist models of planned development.

This chapter begins with the impetus behind Rockefeller’s desire to raise standards of living in Latin America and his unique approach to development work abroad. It traces the founding of the nonprofit AIA and its for-profit corollary IBEC. Rockefeller and his family members partially funded these organizations, but the corporations received a large portion of their funding from US oil companies operating in Venezuela, which significantly influenced the politics of how the organizations conducted their operations. The overlapping work of these entities and their early projects caused some confusion for Rockefeller’s team. This was
exacerbated as more philanthropic and commercial corporations were spun off. They worked with myriad other nonprofit and business entities, reflecting the evolving web of actors involved in agricultural production in the US and increasingly world-wide. But for all their experimentation and limited successes, AIA and its partner entities began losing oil company funding just as they wanted to expand operations. As the US government under Point Four was figuring out how best to implement development work abroad, Truman appointed Rockefeller to chair the President’s International Development Advisory Board (IDAB). Rockefeller and the board advised the US government to make creative and robust use of American philanthropic and commercial expertise to implement this new foreign policy priority. Over time, AIA also increasingly turned to Point Four contracts and other sources of funding as it became integrated into the increasingly complex world of development aid in the mid-twentieth century.

While the US government was pre-occupied with exporting the American political-economic model to Europe and Asia, Rockefeller wanted to export it to Latin America. His ideas reflected a “New Deal synthesis” or international liberalism, incorporating a blurred network of state, philanthropy, and capital. It called for exporting the American food production and distribution model with private sector participation in the political economy and emphasis on growth instead of redistribution. Keynesian theories of consumerism and prioritizing cheap food for workers gave ideological heft to the project. Rockefeller stressed the role of private organizations, what another historian called “privatism” in describing both the 1920s and the New Deal in the US. In foreign policy this same model called for state participation minimized—but present—and private initiative maximized within a “patchwork of private and quasi-private

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groups.” All of these efforts also crucially flexed American power to remake the political economies of food while obscuring that power behind philanthropic agency.

When war broke out in Europe, Rockefeller revisited his concerns about the socio-economics of Latin American nations and what that might mean for their support of the allied war effort. Supported by economist Beardsley Ruml, he lobbied Roosevelt in August 1940 to create an organization to address the issue. Roosevelt appointed Rockefeller head of the newly created OCCCRRBAR (Office for Coordination of Commercial and Cultural Relations Between the American Republics), mercifully renamed the Office of Coordinator of Inter-American Affairs (OCIAA, later OIAA). In 1942, a subsidiary government organization, the IIAA, was incorporated to manage food and health issues with Rockefeller as a corporate officer. Rockefeller spent the war working on cultural diplomacy, information operations, and what he dubbed “basic economy” food development projects for Latin America to stem pro-Axis commerce and sentiments.

When his work at IIAA ended in August 1945, Rockefeller said he felt a personal responsibility to make good on his pre-war goals to raise living standards in Latin America. The Truman administration was becoming increasingly tied up with European and Asian

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9 See again Black, *The Global Interior*.
challenges, and programs for Latin America were ending. He wanted to “see if wartime unity and cooperation with the United States could be translated into peacetime cooperation for economic development and a rising standard of living.” He argued that to do development work correctly, government, commercial business, and philanthropic expertise had to work together. He also noted that “development projects, if they are to be successful, must be profitable.” Rockefeller gathered several former colleagues: Wallace Harrison, architect of the Rockefeller Center, lawyer John Lockwood, public relations man Francis Jamieson, former coffee businessman Berent Friele, and agricultural expert Kenneth Kadow.

Rockefeller and his team grappled with whether government or private groups or both working together should undertake work similar to the IIAA. He learned from his experience at the IIAA that government to government projects in Latin America could do many things, but there were also limitations. Government did well at projects such as sanitation, public health, scientific research, and medical services. By placing these efforts in a servicio organization used by the IIAA, the government could “insure the continuation of the work on a permanent and self-sustaining basis.” Similar to the partnership projects carried on by NEF, Servicios were joint organizations created between the IIAA and local government entities. Both parties contributed funds and managed projects jointly, normally with an American in charge. He said that some foreign government representatives did not want the US government to come in with large programs because it would undermine their sovereignty and independence. As with the NEF’s experience, many Latin American governments wanted to work with private groups instead of

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15 Outline of Jim Monahan book, box 18, folder 112, Nelson Rockefeller Personal Archives, RAC.
16 Dalrymple, *The AIA Story*, 7-8; “Memorandum of my conversation with Mr. and Mrs. Monahan, April 4, 1949,” page 2, box 18, folder 113, Nelson A. Rockefeller Personal Archives, RAC.
directly with the US government, an issue only heightened by prevailing postwar anti-
imperialism.

But Rockefeller noted the limitations of both governmental and philanthropic efforts. Loans granted unwisely could saddle the people with “impossible economic burdens” and technicians often had great ideas that weren’t economically feasible or sustainable long-term. Sometimes “we have loaned money against the recommendation of economists and was spent by technicians which has done more harm than good to these countries. . . . I think one of the dangers today in Washington is that they are going to rush off with a lot of money and technicians, and we’re going to just sink millions of dollars into some of these countries which just can’t come out at the other end.”17 He thought that governments in general particularly failed when it came to the basic requirement of economic development—production. The US government and voluntary agencies simply could not go into a country and begin producing the goods and services needed to raise living standards. He thought that they could do economic analysis and research, funding, and technical assistance, but not provide the management and profit-motive efficiencies of business. His main concern was that technical assistance could generate “exorbitant waste.” He decided that to really do development work correctly, all three components needed to work together—government, business, and philanthropy.18

Rockefeller also advanced his philosophy about the shortcomings of American corporations operating abroad. An outgrowth of his distaste for the “ugly Americans” he met in his 1930s travels in Latin America, Rockefeller not surprisingly deduced that most US businesses abroad either went in to extract raw materials or to develop foreign markets for US

17 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 7, 1949,” box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
goods. Both types of business “grew out of our needs nationally and wasn’t done for any other purposes.”19 “Whatever else the corporation undertook in order to develop the economy or improve living conditions was secondary or incidental. . . . The contributions which these international organizations, past and present, have made toward raising living standards in other parts of the world cannot be underestimated. But because of their primary objectives they cannot be expected to do this much bigger job alone.”20 Echoing Carnegie-esque ideas on welfare capitalism, Rockefeller wanted to pursue “managerial experiments” focused on community development.21 He recognized that the corporate welfare programs Creole Oil was doing in Venezuela helped but envisioned a much larger role for American philanthropy and business; “the time has come when we have got to look at it from the point of view of the peoples of other countries . . . how can we help them solve their problems?”22

In light of growing competition with the Soviet Union, Rockefeller also believed it was a political and economic imperative to show the benefits of democracy and free enterprise as a vital part of postwar American foreign policy.23 He argued that the US must not forget that capitalism should be guided by moral and juridical guideposts, otherwise it would fall into a “materialistic level” not unlike the communists and would make capitalism an end in itself. Promoting capitalism as a positive good, Rockefeller said that his work had the “same spiritual

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19 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 7, 1949,” box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
22 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 7, 1949,” page 26, box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
quality that the missionary has and that has a concept in it of the brotherhood of man.”

Paraphrasing Karl Marx, Rockefeller said that one potential reason for the fall of a capitalistic system was that capitalists became more interested in the return of their money than in production for the economy. He said that “unless we used capital, the accumulation of wealth, in the interests of the people and now not just the people of our own country, but the people of the world, then in their power . . . they will take that accumulation away from those who have it. If we don’t use our capital and all that goes with it in a way that the people of other lands feel is in their interest, they are going to question our having it.” He argued that the US and its abundance was seen by many nations of the world as a rich family is viewed in a poor town. They “are hated, they are feared, they are suspect and they are shot at unless they conduct themselves with great discretion.” He said that growing up in an immensely wealthy family nurtured his views.

Rockefeller’s ideas during this period provide a window into much of the intellectual—or perhaps practical—motives behind the politics of making development aid a strategic priority. Thus, when asked why the US should expend its resources to help other nations, Rockefeller answered, “because my answer is that it is enlightened self-interest, that we see the handwriting on the wall more clearly in perspective than they do, and that because we have 59 percent of the wealth of the world with 7 percent of the people. Unless we can make that wealth and that experience and knowledge useful to the rest of the people then we won’t be able to hold that or even maintain standards that now exist. They will pull us down or we will have to help them come up.” He likened it to the same reasons American are willing to be taxed 50 percent or 20 or

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24 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 21, 1949,” page 13, box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
25 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 7, 1949,” page 29, box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
80—as an insurance policy for the “continuation of their freedom.”26 In essence, development for him and others was an imperative project to stave off challenges to American political and economic hegemony by spreading the abundance wrought by its capitalist and democratic system.

Despite Rockefeller’s focus on private enterprise conducting postwar development work, he also wanted to see the US government make technical aid abroad a focus of its foreign policy. In a proposal to his father in April 1946, Nelson acknowledged, “naturally with the magnitude of problems which exist throughout the world today, it seems almost preposterous for a private group to enter the field. However, it is my feeling that the pattern can be set, and that in a year or so it can be very materially expanded by public support growing out of a popular appeal. The ultimate hope would be that our government itself will recognize the importance of this field.”27 Rockefeller’s ideas anticipated Point Four three years before Truman announced it.

Initially Rockefeller tried to put together a group of both commercial and philanthropic organizations with interests in the foreign field to work on development initiatives. He hoped such a group could compel the US government into action. He worked with the Foreign Trade Council, the US Associates of the International Chamber, the Council for Inter-American Cooperation, and the China-America Council. But these groups didn’t want to give up their individual interests to merge with others; “there was an unwillingness to subordinate personal interests in the interest of the whole.” Rockefeller also said that some businessmen thought that he was too young and inexperienced in business and, having been the Coordinator of the OIAA,

27 Nelson A. Rockefeller to John D. Rockefeller, Jr., April 27, 1946,” box 11, folder 104, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
too close to the government. “Their general reaction was ‘well he’s a fine young man, pretty much of a New Dealer in his point of view and he really doesn’t know the hard facts of business as seen from the eyes of five years in government’.”28 So after a year of trying to interest these groups, Rockefeller gave up and decided to start his own program to prove his ideas on a small scale.29

Rockefeller and his team hashed through ideas for months. Rockefeller wanted a foundation that would have two parts, “one nonprofit and one profit-making.”30 He wanted the nonprofit part to raise money in order to set up businesses and “remove the suspicion of exploitation.” But he wanted to use the profits from a commercial company to set up more businesses, to use in projects with foreign governments, or to use again in the philanthropic part, the latter of which would handle enterprises that were “truly welfare operations.” He envisioned a cyclical nonprofit and for-profit loop branching off into other business ventures and foreign cooperation projects. Rockefeller wanted a “philanthropy, with business operations under it” to avoid the accusation that this was just a money-making scheme.31 He said that he wanted to balance and promulgate “social objectives with capitalistic incentives.”32

His lawyers intervened with a reality check for these creative ideas of socially responsible capitalist development. Lockwood warned Rockefeller that he wouldn’t be able to combine both profit and nonprofit in one company. He argued that one couldn’t legally run

28 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 7, 1949,” page 28, box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
30 Dalrymple, The AIA Story, 9.
31 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 7, 1949,” page 33, box 18, folder 113, Nelson A. Rockefeller Personal Archives, RAC.
32 “Memorandum of my conversation with Mr. and Mrs. Monahan, April 7, 1949,” page 1, box 18, folder 114, Nelson A. Rockefeller Personal Archives, RAC.
businesses from a charity and that Rockefeller wouldn’t be able to “keep your tax-exempt status if you invested your money into businesses.” Rockefeller later remembered being surprised that “the whole thing would be questioned, and then it developed through these discussions the whole question of our concept and our legal structure in this country about business and about philanthropy and there is a very sharp and clear line between them. You can’t mix them even legally or any other way.” Lockwood instead recommended that Rockefeller form two companies, “one of these should be a Sunday company and one should be a weekday company. That is in the historical, puritan, and protestant tradition of this country—make money all week and tend to your eleemosynary operations on Sunday.” But apparently it took some convincing. Lockwood quipped that “Nelson had a hard time adjusting himself to the fact that business and charity are two different things.”

Finally, Rockefeller settled on establishing the philanthropy with the question of a for-profit business to follow. He decided that the nonprofit organization would “work with government bureaus and departments in nutrition and extension work, supervised credit in rural areas” and that a future for-profit corporation would set up business enterprises as a development company. Rockefeller described it as a type of planned economy venture, although he said that business should not use that term. But he thought it was okay to use in philanthropy. The key for Rockefeller was to develop “basic economies” in poor areas, convinced that foreign economic

33 “Memorandum of my conversation with Mr. and Mrs. Monahan, April 4, 1949,” page 3, box 18, folder 114, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
34 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 7, 1949,” page 32, box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
35 Dalrymple, The AIA Story, 9-10.
37 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 7, 1949,” page 33, box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
development could not be done by government alone nor by private business alone.\textsuperscript{38} Rockefeller also consulted several friends about his new ideas of philanthropy, particularly regarding developing agricultural production. These included Robert J. Kleberg, Jr., owner of King Ranch in Texas, and the president of United Fruit, Sam Zemurray.\textsuperscript{39}

AIA was incorporated in New York state on July 1, 1946.\textsuperscript{40} Its certificate of incorporation stated “this Association is organized for the purpose of promoting self-development and better standards of living, together with understanding and cooperation among peoples throughout the world.”\textsuperscript{41} AIA planned a “two-fold attack on the problem of raising the productivity and standards of living of underdeveloped countries: 1) action programs which seek to aid people, not by doing something for them, but by teaching them how to do something for themselves; 2) assisting public and private institutions to carry on that process and make it a permanent part of the country’s life.”\textsuperscript{42}

AIA planned to tackle food issues first, particularly industrializing Latin American food production. Kadow, its first director of operations, had led IIAA’s agricultural programs in Brazil during the war. To Rockefeller he wrote, “It has from the start been proposed that problems relating to food form the basis of our new association. Through the sound development of agriculture and its proper industrialization such important problems as food, health, malnutrition,

\textsuperscript{38} Outline of James Monahan book, box 18, folder 112, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
\textsuperscript{39} Nelson A. Rockefeller to Robert J. Kleberg, Jr, February 21, 1946, box 1, folder 1, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
\textsuperscript{40} John E. Lockwood to Nelson A. Rockefeller, April 8, 1946, and “American International Association,” box 1, folder 1, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
\textsuperscript{41} Joan to Nelson A. Rockefeller, “RE: General Objectives of the American International Association for Economic and Social Development” and “Certificate of Incorporation,” box 1, folder 2, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
\textsuperscript{42} “AIA: The First Three Years, 1950,” box 1, folder 2A, series B, RG II/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
clothing and building materials for industries and homes all come into focus.” Brazil was the first
target due to its size, economic potential, and because of a hog cholera epidemic that surged in
the summer of 1946. The plan in Brazil visualized “long term improvement as a function of the
industrialization of Brazil, with its subsequent benefits to workers, producers and consumers
through enlightened philanthropy supported from business profits.”

AIA aimed to carry out programs through joint ventures with host-nation governments,
much as the IIAA had done with servicios during the war, and similar to NEF’s practices. AIA
would call these joint organizations consejos. AIA recognized that underdeveloped countries
lacked the “ready-made institutions for administering needed welfare programs.” The consejos
would consist of two Americans and two host country representatives, with AIA choosing the
director. American technicians and administrators would primarily staff them at first,
incorporating host-nation personnel as expertise and training allowed. They would be jointly
financed by AIA and local governments. Over the duration of the contract, financial
contributions would be made on a sliding scale upward in contributions by the host-nation
government and downward on the part of the AIA. Host-nation government agencies were
expected to gradually take over both management and financing and eventually permanently
incorporate the programs into their bureaucracies or civil society. Discussing the relationship of
private enterprise and government, Rockefeller noted, “it really is the evolution of our own
country. Both in the field of philanthropy and in the field of business where the thing has become

43 Kenneth J. Kadow to Nelson A. Rockefeller, May 7, 1946, box 1, folder 1, series B, RG III/4B, FA
339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
44 Annual Report for 1951, page 1, box 1, folder 1.3, RG IV/3B/2.11, General Series 1, FA 079, AIA
General Records, RAC.
an accepted public utility service or an accepted service to the people, the government gradually takes over at their own expense and provides them for all the people.”

Kadow also envisioned the foreign policy implications in the face of the chilling Cold War and communist propaganda: “It brings tangible evidence to the peoples of the world that Americans are truly interested in their social and economic progress and not, as is so often supposed, solely their economic exploitation.” But despite Rockefeller stressing cultural sensitivity and respect abroad, the development programs certainly still aimed for remaking these societies in the American image. A later AIA report dubbed their technicians working abroad as “Missionaries of Better Living.” AIA planned to introduce industrialized agriculture to support industrialization of the country. Home demonstration projects were considered vital to teach poor farm wives how to make better homes. AIA wanted to create solid farm families producing enough agriculture to support industrial development of the economy, and spurring a middle-class future for the entire economy.

Rockefeller believed he still needed a for-profit corporation as a corollary to AIA to do the “other work of setting up business enterprises on a straight business basis with a development company . . . and this was to be for profit. . . . but our objectives will be social objectives, economic objectives, and international objectives.” He called it an “international development

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45 “Memorandum of my conversation with Mr. and Mrs. Monahan, April 7, 1949,” page 10, box 18, folder 114, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
47 AIA Record, no 3 (1953): 9, box 43, folder 316, RG IV/3B/2.13, General Series 3, FA 079, AIA Publications, RAC.
49 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 7, 1949,” page 33, box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
corporation.” He noted several times that capitalism could simply be a tool used for material gain but that it could also be used as “positive dynamic constructive force.” He therefore rejected ideas for developing vertical monopolies from farm to store to dominate foreign markets. Instead, he wanted to stimulate competition within the local economies.

His plans for the international development company crystallized with an invitation to visit the President of Brazil in November 1946. The trip convinced Rockefeller that the for-profit arm was still needed as leaders in Brazil told him they did not want charity but instead “cooperation with dignity.” They sought business investment because philanthropy seemed suspicious and, in their view, not likely to accomplish much. This trip solidified Rockefeller’s thinking on how AIA and a commercial corporation would work in tandem to support agricultural development. Rockefeller later commented that “we got to thinking it over and recognized that the era of philanthropy was dead. People in Brazil did not want to join in a philanthropy—they wanted business investment.

*Time* magazine reported on Rockefeller’s trip to Brazil with his “brand-new idea” for postwar capitalism. “By mixing business (which would be handled by a special corporation) and philanthropy, to expand other countries’ production, especially of food, and thus to increase their capacity to buy what the US has to sell. . . . living standards would be raised, an extensive middle

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51 “Memorandum of my conversation with Mr. and Mrs. Monahan, April 7, 1949,” page 10, box 18, folder 114, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
52 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 16, 1949,” page 17, box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
53 Press Release, box 145, folder 1578, Nelson Rockefeller Personal Activities, RAC.
54 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 10, 1949,” page 2, box 18, folder 113; Draft of Monahan book, chapter 2, page 11, box 22, folder 136, Nelson A. Rockefeller Personal Archives, RAC.
55 “Memorandum of my conversation with Mr. and Mrs. Monahan, April 4, 1949,” page 4, box 18, folder 114, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
class would come into existence, and there would be an end to talk of US exploitation.”

Condescendingly describing the project as bringing “salads for bean-eaters,” the article highlighted Rockefeller’s “grandiose project that might later be the shape of postwar capitalism.” *Time* also thought a little success might go a long way and that “such a commercially helpful hand would be a potent implement to US foreign policy.”

Upon his return from Brazil, Rockefeller and his team hashed through 14 names all containing the words “economic development” or “basic economy” before finally arriving at IBEC. They still needed to clear up the “tax problems” associated with the new venture, and Lockwood had trouble with the New York secretary of state in getting a statement of principles included in the Certificate of Incorporation that emphasized altruistic goals. IBEC was finally incorporated on January 9, 1947, initially capitalized by Rockefeller and his five siblings. Rockefeller recognized that IBEC’s impact might be small but hoped that through his prototype for an international development corporation, other entrepreneurs would be “attracted to the field.”

In essence, Rockefeller wanted to shape the politics of development aid through his own experiments with philanthropic and commercial solutions. With AIA and IBEC, Rockefeller sought to create an “an integrated policy for development” based on what his chief economist Stacy May called “bottleneck theory.” May was a sociological economist who had worked for

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56 “Enlightened Capitalism,” *Time*, November 25, 1946, 42. See also Memorandum, box 145, folder 1578, RG III/4A, FA 338, Nelson Rockefeller Personal Archives, RAC.
the Rockefeller Foundation and War Production Board during the war before moving to IBEC.\textsuperscript{60} They wanted to find and break bottlenecks in three areas—economic production, public works, and government administration of these areas. The first issue in Brazil was that in order to industrialize, the country needed better agricultural production.

Just as his father and grandfather had concluded in setting up the GEB in the American South in 1903, Rockefeller and his team decided the first priority was to improve agricultural production. The goal was industrialized, scientific agriculture in order to “improve their dollar exchange position to facilitate the industrial growth of the country.” The second step was to provide manpower for rapid industrialization and “that manpower had to come from the rural areas into the urban area.” The analogy that Rockefeller used was that after the American Civil War it took two farmers to feed one “city person,” but by the mid-twentieth century one farmer could feed eight people in a US city. It took “better seeds, fertilizers, mechanization, and so forth.”\textsuperscript{61}

\textbf{Venezuela and Oil Company Support}

But the first issue that AIA and IBEC faced was how to finance their operations. Rockefeller and his siblings were willing to invest some of their own funds, but did not plan to finance everything themselves. As early as 1945, Rockefeller turned to his oil company contacts after what he had seen in Venezuela in the thirties. Creole Oil’s complaints about needing to improve standards of living to produce healthier workers had largely spurred Rockefeller in this direction in the first place.


\textsuperscript{61} “Memorandum of my conversation with Mr. and Mrs. Monahan, February 14, 1949,” page 1-2, box 18, folder 113, Nelson A. Rockefeller Personal Archives, RAC.
American corporate relations with Latin American governments had long been fraught, the result of having to navigate competing political factions and charges of imperialism and exploitation. The lesson of Mexico expropriating its oil industries in 1938 seriously worried several American and European oil companies and scared other foreign companies operating in Latin America. In Venezuela, rising leftist political party Acción Democrática led by Romulo Betancourt took power in a military coup on October 18, 1945. He wanted to nationalize oil in Venezuela as well but was concerned that its economy was too weak to sustain a boycott by western companies as had happened in Mexico. In his first meeting with the new Venezuelan President, US Ambassador Frank Corrigan brought up the idea of Rockefeller’s still unformed plans to invest in economic development in Latin America, and Betancourt reacted favorably.\(^6^2\) Rockefeller approached Creole and other American oil companies operating in Venezuela, but they were not initially enthusiastic about the plans. However, Rockefeller still asked for $10 million in capitalization. Standard Oil of New Jersey suggested that the work should be done by the Rockefeller Foundation to which Standard Oil and the Venezuelan government would contribute equal sums for development. They also indicated support for health and sanitation projects, but objected to the creation of new food industries.\(^6^3\)

Creole Petroleum wrote that it was heartily in agreement with the project for humanitarian reasons and because “any improvement in the standard of living in Latin America should benefit Creole either directly or indirectly.” However, Creole thought the projects should instead be carried out by the oil companies themselves, although it was open to contributing to

\(^{62}\) Frank P. Corrigan to Nelson Rockefeller, November 6, 1945, box 1, folder 1, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.

\(^{63}\) John W. Price to E. Holman, October 1, 1945, box 1, folder 1, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
Rockefeller’s philanthropy as well. Rockefeller argued that IBEC as a private international development corporation, “acts a vehicle through which the private individual or private corporation, can produce the goods or render the services that are needed abroad, can go out and get serviced with additional capital, technical, labor, and legal advice, finding the local partners for them and so forth.” He pointed out that the host government would also be more willing to partner with an outside corporation. Creole should not do it on its own because locals would misunderstand their motives, “feeling that this octopus is spreading out to control and dominate the entire economy.” Rockefeller also reminded Creole that it had complained for years that supporting the social welfare of its employees distracted it from its main objectives.

By the fall of 1946, with AIA established and IBEC about to incorporate, the oil companies were finally willing to participate but “desired to obtain some benefit from their participation,” namely that Rockefeller’s organization work in Venezuela as well as Brazil. Food shortages were becoming dire in Venezuela along with high prices for all goods. Rural nutrition continued to be abysmal. John H. Loudon of Royal Dutch Shell wrote to Rockefeller in January 1947, “It is generally agreed that the oil companies in Venezuela cannot expect to continue their operations at existing levels in an atmosphere favorable to maintenance of their business with satisfactory earnings unless some solution can be found to the basic problem of raising the standard of living of the Venezuelan people.” The oil companies had planned to

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65 “Memorandum of my conversation with Mr. and Mrs. Monahan, April 7, 1949,” page 11, box 18, folder 114, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
approach the Venezuelan government with a request for improving food and health conditions, and now an opportune instrument had presented itself in the form of the AIA and IBEC.

Several oil companies supported increased food production in Venezuela by offering guaranteed purchase prices for food for their many oil camps and employee families who lived there. Rockefeller directed that both AIA and IBEC begin planning for operations to support food production—AIA tackling nutrition education and home demonstration and IBEC working on warehouses, refrigeration, and food production businesses. He also suggested approaching the oil companies to support sending Venezuelan farmers to get technical training at an agricultural school in Turrialba, Costa Rica.68

Rockefeller traveled to Venezuela in February 1947, and H.F. Prioleau, head of Creole Oil, confidentially helped Rockefeller with how much to ask in support from the other major American and British oil companies operating in Venezuela.69 IBEC also established the Venezuela Basic Economy Corporation (VBEC) on May 15, 1947 as a subsidiary company to “operate the business side of the program” in that country. The major oil companies agreed to support AIA and IBEC for five years initially, with the ability to withdraw support after the first year based on performance.70 Funding from the oil companies settled at one-third to AIA as tax-exempt donations and two-thirds to IBEC by buying non-voting preferred stock.71 Donations to AIA alone from Creole Petroleum, Shell Caribbean Petroleum, Mene Grande Oil Company, and

70 John H. Loudon to Nelson A. Rockefeller, January 27, 1947, box 11, folder 113, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
71 Nelson A. Rockefeller to Brewster Jennings, President of Socony Vacuum Oil Company, February 14, 1947, box 11, folder 113, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
Socony-Vacuum Oil Company totaled $1,175,264 for the first two years. Oil companies promised $1,299,833 to AIA for 1949 and 1950. The Venezuelan and Brazilian governments estimated contributing another $2,755,587 to AIA in 1949-51. 72 The Brazilian subsidiary of the Corn Products Refining Company (CPRC) also donated $125,000 for the development of hybrid corn and nutrition education. Rockefeller donated various amounts each year from his personal oil stocks. 73

AIA and IBEC Begin Operations

From the beginning, the two companies operated in tandem. Board meetings for AIA, IBEC, and VBEC were held together. 74 IBEC and AIA had the same directors—Rockefeller, Harrison, Friele, Jamieson, and Lockwood. 75 Jamieson handled public relations for both AIA and IBEC. John Camp was the general manager for both AIA and IBEC in Venezuela. 76 The same administrators ran their joint executive offices in Venezuela and Brazil. AIA administrative services were handled by IBEC staff in New York. 77

It was not surprising that as AIA and IBEC got to work, leaders and staff were still confused as to the clear operating lines of each organization. There was a flurry of

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73 See several memorandums of donations, box 55, folder 463, Nelson A. Rockefeller Personal Activities, RAC.


75 Otis B. Bosworth to Nelson A. Rockefeller, December 13, 1946, box 1, folder 1; “Certificate of Incorporation, AIA, July 1, 1946,” and “Certificate of Incorporation, VBEC, May 14, 1947,” box 11, folder 113, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.

76 “Administrative Memorandum No., May 27, 1947” and “General Organization and Operating Procedure of VBEC, AIA and IBEC Technical Services Corporation (ITSC) in Venezuela,” box 10, folder 102, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.

77 AIA Staff memo, July 2, 1956, box 1, folder 2A, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
memorandums in the spring of 1947 trying to clarify the issues. When projects requiring cooperation with “governmental enterprise” proved necessary, “consideration may be given to utilizing the American International Association to obtain the desired objectives.” Another memo explained, “A good part of the work of both VBEC and IBEC is designed to further the program of the American International Association, a nonprofit membership corporation. . . . Its work is confined to projects where commercial operations are impossible but where the need is great.” Another memo said, “In the IBEC scheme of operations, these social services” needed to help local people through development of sustainable businesses, but that “collateral work in nutrition, health, sanitation, education” would be carried out by IBEC’s “sister-organization, the nonprofit AIA.”

The legal lines between the nonprofit and for-profit enterprises were also still blurry. One memorandum stated that “care should be taken to distinguish carefully between the two corporations and the two types of activities in order to avoid difficulty in accounting filing, tax liability, legal liability, etc.” Lockwood again pushed to clarify the purpose of AIA and its relationship with IBEC, which was “particularly important from the tax standpoint.” How they approached the oil companies to buy the preferred stock of IBEC was also critical in order to keep within the laws of the Securities and Exchange Commission. Lockwood warned that any previous discussions in which Rockefeller reached out to the oil companies be tabled in favor of

78 See “Internal Organization of IBEC and AIA, March 27, 1947” and “Announcement of Staff Memoranda Series for AIA and IBEC, April 16, 1947,” box 9, folder 86, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
80 Memorandum, May 1, 1947, box 11, folder 113, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
81 Draft of Monahan book, page 15, box 22, folder 136, Nelson A. Rockefeller Personal Archives, RAC.
82 J.W. Hisle and O.B. Bosworth, “Two Separate Corporations, November 27, 1946,” box 1, folder 9, Rockefeller Family Public Relations, RAC.
the oil companies themselves reaching out to AIA and IBEC inquiring about donating funds and buying stock. 83

In addition, the lawyers were still nervous about Rockefeller’s original idea that IBEC companies make gifts of their profits to AIA. They felt the US government “might take the position that this was a device to give away profits of a foreign operating company before they could be taxed by the US.” They also had concerns about commercial donations because the CPRC donation to AIA for hybrid corn seed research and nutrition education could be viewed as favoring its corporate bottom line. They argued that any gifts to AIA must not come with stipulations as to its use or “conditioned upon it returning in some way or other, by making services available, etc.” to the benefit of the giver. And if AIA conducted any “research, analysis, experimentation, etc. for individuals, businesses, firms, foreign governments and their entities, etc.,” they had to rigorously check the tax implications. 84 AIA and VBEC set up a coordinating committee in 1947 to work out any issues stemming from the overlapping work of the two organizations in Venezuela. 85

The early intertwined nature of AIA and IBEC work is illustrated by three of their first projects. Only a month after AIA’s founding, a hog cholera outbreak hit Brazil and spread rapidly. AIA sent a leading US veterinarian who by December had inoculated hundreds of thousands of hogs, stopping the disease. 86 A few months later, IBEC established a hog production corporation into which they incorporated the vaccination program.

83 Otis. P. Bosworth to Flor Brennan, April 1, 1947, box 11, folder 113, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
85 “AIA Agenda, December 23, 1947,” box 11, folder 104, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
86 Dalrymple, The AIA Story, 16-17.
The second project involving hybrid corn seed had already caused the lawyers’ consternation. Directors agreed that all publicity about CPRC’s donation must be approved by AIA’s Brazilian representative to avoid local perceptions of conflicts of interest. But in the same meeting, the directors began plans to incorporate an IBEC subsidiary hybrid corn seed company in Brazil, recognizing that corn was a critical grain in Latin America. Kadow had already ordered corn mechanizing equipment from International Harvester for delivery in early 1947.87 Rockefeller put pressure on International Harvester to ship more agricultural equipment to its distributors in Venezuela.88 AIA and IBEC directors acknowledged that they had to “separate those activities that could be developed as independent business enterprises from those clearly of a nonprofit nature.” John Ware, a director for the food company General Mills do Brasil, initially helped AIA with the Brazilian hybrid corn seed research. Those activities that promised profits, such as the warehousing and commercial production and distribution of the seed corn, went to IBEC. It established a hybrid seed company Sementes Agroceres S.A. on July 21, 1947.89

The third project involved the problem of grains spoiling for lack of adequate storage and therefore unavailable to feed livestock.90 AIA worked on the problem with Cargill, a major grain storage and agribusiness company in the US. They decided that trench silos instead of tall silos provided the most efficient and economical system in the tropical climate. AIA then passed their project research over to IBEC to work with Cargill. Meat packing companies operating in Brazil, needing feed for livestock, also became involved, including Anglo-Frigorifico, the Armour

87 “Minutes of Informal Meeting in Nelson A. Rockefeller’s Office, December 17, 1946,” box 1, folder 1, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
88 C. N. King to Juan Pablo Perez Alfonso, December 12, 1946, and C.N. King to Nelson A. Rockefeller, December 27, 1946, box 27, folder 268, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
89 “Hybrid Seed Corn, Bolivar Foundation,” box 1, folder 1, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
90 “Warehousing of Food Crops and Seeds, Bolivar Foundation,” January 10, 1947, box 1, folder 1, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
Packing Company, and the Wilson Packing Company. Nestlé, needing feed for dairy cattle, also supported the trench silo program with the loan of an agronomist and two workers, all trained by AIA. Coffee producers also adopted the trench silo system in Brazil. Quaker Oats sought help from AIA in growing and storing oats.91 IBEC’s partnership with Cargill led to the first American-type grain elevator system in Brazil to warehouse corn and other grains, forming Cargill Agricola e Comercial S.A.92 This one vignette shows how completely intertwined nonprofit and commercial interests in agricultural development were becoming in food production abroad.

Research on hybrid corn, farm demonstrations of its use, nutrition education, and 4-H type clubs for youth remained with AIA. Because of the lawyers’ concerns over corporate donations, AIA accepted a second grant from CPRC to use for nutrition education alone, “to avoid any suggestion that it was being used to benefit the donor company.”93 But the still-mixed nature of this project was illustrated by the work of Dr. R. Howard Porter, a seed authority from the Iowa State College of Agriculture. He was brought to Brazil under contract to split his time between hybrid corn research for IBEC and experiments for AIA in sweet corn, popcorn, wheat, oats, and potatoes. AIA touted that his research for the nonprofit agency “became the property not of a commercial enterprise, but of agricultural science.” By disseminating its research publicly, AIA could maintain its nonprofit status as a research organization.

AIA’s nutrition and home demonstration programs were considered critical corollaries to IBEC’s commercial efforts to increase food production. An AIA report stated that “one cannot

91 John B. Griffing, “Air View of the Forest: American International Association for Economic and Social Development,” page 5-6, box 1, folder 7A, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
92 “Activities of American International Association in Brazil,” January 5, 1950, box 1, folder 7, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
93 Dalrymple, The AIA Story, 18.
logically be developed without the other since to have foods and not know how to use them
would render their production senseless. Likewise, it is equally senseless to teach people what to
eat if the things they need to eat are not available.”94 With significant AIA research and
demonstrations on hybrid corn’s productivity and nutrition, *Sementes Agroceres* became one of
IBEC’s most successful companies, the largest hybrid corn seed producer in Brazil, and a major
company that exists today under Bayer.

But Rockefeller also set some limits on the symbiosis of AIA and IBEC. Asked whether
AIA should teach Venezuelans how to better incorporate fish into their diets in order to help a
fledgling IBEC fish company, Rockefeller answered, “no, we can’t have AIA pulling IBEC
chestnuts out of the fire.” Instead, he wanted AIA and IBEC to work together when interests
converged and wanted to tap into their respective strengths. He said that AIA “extension types”
were good at research and what he called “governmental work,” but not good at making
development work commercially profitable, which is why he favored staffing IBEC with
business people. He used the example of a former USDA expert who got one of every type of
agricultural tractor for an experimental farm, which meant there could be no efficiencies in
training or maintenance. Rockefeller later warned against Point Four programs using experts
who had no business acumen. He brought in agricultural corporations like Seabrooks, United
Fruit, Drexel, and Cargill to advise AIA how to do development economically.95

AIA embarked on many other programs in agriculture in the late 1940s and early 1950s.
Although operations in Brazil started in 1946, it took negotiations and a formal invitation from

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94 “Nutrition & Home Demonstration Training Centers, Bolivar Foundation,” box 1, folder 1, Nelson A.
Rockefeller Personal Files AIA-IBEC, RAC.

95 “Memorandum of my conversation with Mr. and Mrs. Monahan, May 23, 1949,” page 16-18, box 18,
folder 115, Nelson A. Rockefeller Personal Archives, RAC.
the Venezuelan government for AIA to officially begin work in Venezuela in June 1948.96

Robert W. (Pete) Hudgens took over as Director of AIA from Kenneth Kadow on March 15, 1948.97 Hudgens had started at a South Carolina investment firm and pioneered supervised farm credit in the American South during the 1920s and 30s. He was associate director of the Farmer’s Home Administration (FHA) from 1936 to 1947.

Similar to NEF’s work as a philanthropic diplomat shaping foreign politics and building state capacity, AIA set up consejos with federal government ministries in Venezuela and with state-level government agencies in Brazil. In 1948, the AIA signed an agreement with the *Venezuelan Instituto Pro-Alimentacion Popular* to create CIDEA—the *Consejo Inter-Americano de Educación Alimenticia*—to take on nutrition education in rural Venezuela. Many of the early nutrition education programs occurred in or near oil camps and were supported with facilities or transportation by the oil companies.98 AIA worked with the National Nutrition Information Center in Caracas on national campaigns involving radio, motion pictures, pamphlets, magazines, books, and national health contests.99 Mobile nutrition units traveled in rural areas bringing nutrition and hygiene information. A weekly column about nutrition, home gardens, home and personal hygiene, and child feeding ran in 58 newspapers.100 A comic books series for children on good nutrition and hygiene called *Las Aventuras de Juancito Salud* (The

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97 “Memorandum to All Employees, September 26, 1947,” box 11, folder 104, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
99 “Annual Report for 1948,” page 13, box 1, folder 1.2, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
100 “Annual Report for 1949,” page 2, box 1, folder 1.2, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
Adventures of Johnny Health) became very popular in Venezuela throughout the 1950s and 60s.  

In 1948, AIA established rural community services programs through the Consejo de Bienestar Rural (CBR), operated together with the Venezuelan Instituto Tecnico de Inmigracion y Colonizacion. A “semi-governmental agency,” the goal was to stimulate more efficient farm production and home life among farm families. It employed a sociologist and community organization specialist, home economist, physician, public health specialist, cooperative and credit consultant, and a farm management consultant. CBR also managed supervised credit to farmers through the Banco Agricola y Pecuario (BAP), a program Hudgens designed based on similar programs he pioneered in the American South during the Depression. CBR also advised Venezuela on governmental bureaucratic reforms, helping to reorganize the Instituto Tecnico and the forestry department of the Ministry of Agriculture. CBR in 1954 began training more Venezuelan agricultural technicians and set up the first agricultural extension course and model extension program.

In 1949, AIA added a pilot regional farm-to-market road program. AIA proposed and ran construction projects funded by the Tachira state government. With an engineer on loan from the US Forest Service and the local government providing equipment and labor, they carved rudimentary roads for two-wheeled vehicles over what had been burro tracks. The program brought on young Venezuelans as apprentices to take over the work. Three other states signed on

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101 “Annual Report for 1955,” page 1, box 1, folder 1.4, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
103 “Annual Report for 1949,” page 10-11, box 1, folder 1.2, General Series 1, RG Four/3B/2.11, FA 079, AIA General Records, RAC.
104 “Annual Report for 1956,” page 9, box 1, folder 1.4, AIA General Records, RAC.
for similar projects in 1950 for over 300 kilometers of road, and five more states asked for projects in future years.\textsuperscript{105}

AIA consistently tapped into US government and local resources, in addition to assistance from commercial companies. In Nueva Esparta in Venezuela, AIA brought in a land-use survey specialist on loan from the USDA Soil Conservation Service and a geologist on loan from Creole Petroleum to study soil and water resources.\textsuperscript{106} AIA set up the training of both Venezuelan and Brazilian farmers at an agricultural school in Turrialba, Costa Rica starting in July 1948. Programs of “Applied Rural Sciences” taught these young men how to be mechanized farmers using modern fertilizers, insecticides, herbicides, and equipment.\textsuperscript{107} AIA also had trainee technicians working under US technicians in Venezuela and Brazil with the goal of gradually turning over responsibilities to local staff.\textsuperscript{108} The Venezuelan government wanted agricultural technical training set up along the lines of the similar programs that United Fruit used to teach local farmers.\textsuperscript{109}

In Brazil, AIA started in 1946 with the aforementioned hog cholera vaccinations. In 1947, it delved into livestock parasite control research and demonstrations. AIA engaged Dr. E.W. Laake from the USDA Agricultural Experiment Station at Kerrville, TX. US chemical manufacturing companies donated the chemicals needed.\textsuperscript{110} The AIA director in Brazil, Dr. John “Dad” Griffing, was candid in a later assessment of the spraying project that significant

\textsuperscript{105} “Annual Report for 1948,” page 19, box 1, folder 1.2, AIA General Records, RAC.
\textsuperscript{106} “First Annual Report Given to Caracas Press,” June 1949, page 3, box 1, folder 1.2, AIA General Records, RAC.
\textsuperscript{107} “Annual Report for 1948,” page 17, box 1, folder 1.2, AIA General Records, RAC.
\textsuperscript{108} “Memorandum of my conversation with Mr. and Mrs. Monahan, May 23, 1949,” page 36, box 18, folder 115, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
\textsuperscript{109} “Memorandum of my conversation with Mr. and Mrs. Monahan, May 23, 1949,” page 36, box 18, folder 115, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
\textsuperscript{110} “Annual Report for 1948,” page 3, box 1, folder 1.2, AIA General Records, RAC.
“cooperation was given to the representatives of these commercial companies (Standard Oil Company of Brazil and Blemco Importers) in their efforts to sell toxaphene” to local farmers. Both beef cattle and dairy cows were freed of tick infestations and milk production increased. Nestlé joined the campaign and also supported cattle vaccination campaigns against *aftosa* foot and mouth disease. But toxaphene was eventually banned by the Environmental Protection Agency in the US in 1990 and globally by the 2001 Stockholm Convention on Persistent Organic Pollutants. It was found to cause toxic effects in animals and humans.

Similar to the Venezuelan CIDEA program, the CPRC-funded nutrition education program in Brazil publicized nutrition and home economics information in newspapers, magazines and pamphlets, press, radio, and moving pictures, supplemented by conferences and demonstrations. It encompassed modern farming practices, natural resource conservation, human nutrition, and crop-marketing services. Another popular AIA program was corn clubs for boys and girls similar to those set up by the GEB, then later NEF, and modeled on American 4-H clubs. These had the added benefit of interesting the children’s parents in hybrid corn seed. By 1956, 4-S clubs, as they were known in Brazil, had 49 clubs with 1055 members.

In 1948, AIA began fertilizer experiments and supervised credit to Brazilian farmers. In Minas Gerais state, AIA established the *Associacao de Credito e Assistencia Rural* (ACAR) to carry out financial and technical assistance for farmers. The Brazilian state bank extended

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111 John B. Griffing, “Air View of the Forest: American International Association for Economic and Social Development,” page 3, box 1, folder 7A, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.  
113 “AIA Cooperation in Venezuela: Agreements and Related Documents, July 1948,” page 2, box 1, folder 2, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.  
114 Memorandum, no date, page 8, box 1, folder 9, Rockefeller Family Public Relations, RAC.  
115 “Annual Report for 1956,” page 5, box 1, folder 1.4, AIA General Records, RAC.  
116 “Annual Reports, 1948,” box 1, folder 1.2, AIA General Records, RAC.
supervised credit to farmers receiving technical assistance from ACAR. Three US and 20 Brazilian technicians were employed doing farm demonstrations and teaching scientific agriculture using fertilizers.\textsuperscript{117} Associacao Nordestina de Credito e Assistencia Rural (ANCAR) started in 1954 providing supervised credit in northeastern Brazil. Rural extension work tied to supervised credit was designed to improve productivity and to stimulate local farmers’ demand for and ability to buy more agricultural products such as machinery, chemicals, and fertilizers.\textsuperscript{118} One report stated, “ACAR continues, in a small way, to distribute supplies at cost as a means of introducing new products where they are not available, thus stimulating demand which will interest local merchants in handling them.”\textsuperscript{119}

VBEC meanwhile formed companies involved with reconstituted milk, fishing, cattle pastures, and vegetable growing. The first reconstituted milk company started in Puerto de la Cruz, an oil port town. In Brazil, IBEC took over from AIA’s experiments in fertilizer with a company to develop Brazilian fertilizer deposits. Taking over another AIA project, IBEC began breeding Santa Gertrudis bulls as part of a cattle breeding ranch in Brazil. The bulls came from Rockefeller’s friend Kleberg and his King Ranch stock. Kleberg was willing to support in exchange for 51% of the stock of the IBEC subsidiary.\textsuperscript{120}

IBEC had mixed success with its many companies in Latin America, but one of its most interesting operations was in pioneering supermarkets in Venezuela in what one historian has called the “Cold War farms race.”\textsuperscript{121} IBEC recognized the need for better food distribution and

\textsuperscript{117} “Annual Report for 1949,” page 22, box 1, folder 1.2, AIA General Records, RAC.
\textsuperscript{118} Walter L. Crawford to the Board of Directors of AIA, June 8, 1959, page 4, box 1, folder 7A, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
\textsuperscript{119} Walter L. Crawford to the Board of Directors of AIA, June 8, 1959, page 4, box 1, folder 7A, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
\textsuperscript{120} “Cattle, Horse, and Mule Breeding Ranch, Brazil, Bolivar Foundation,” January 10, 1947, box 1, folder 1, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
\textsuperscript{121} See Hamilton, \textit{Supermarket USA}. 

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storage and wanted to spur local food production. The oil companies encouraged the venture because they were running their own commissaries at a loss in order to keep grocery costs down for their workers. In deference to the oil companies, the Venezuelan government urged IBEC to establish supermarkets in all five areas of the country and in both retail and wholesale distribution. While the chain of markets had some success, it failed to transform food distribution and storage because local agricultural production never managed to meet its needs. The supermarkets still had to import much of its food from the US and became targets of anti-imperialist sentiment and outright violence.

IBEC quickly ran into issues with inadequate infrastructure to support development in Latin America. Therefore, Rockefeller decided to set up another IBEC subsidiary company to “render services to government municipalities or states to help solve their bottlenecks, which were their public works.” The commercial IBEC Technical Services Corporation (ITSC) was established in April 1947 to help manage the planning, contracting, and supervising of engineering services. The company acted as a go-between, studying projects and finding expertise, normally from the US, to carry out the work. The US Department of Commerce recommended ITSC and other “Nelson Rockefeller Enterprises” to the State Department for technical assistance projects in Latin America.

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122 Memorandum for Mr. and Mrs. Monahan, box 18, folder 112, RG III/4A, FA338, Nelson Rockefeller Personal Activities, RAC.
124 Nelson A. Rockefeller to John Camp, March 24, 1947, box 13, folder 129, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC; “Memorandum of my conversation with Mr. and Mrs. Monahan, February 7, 1949,” page 34, box 18, folder 113, Nelson A. Rockefeller Personal Archives, RAC.
125 J. Rafael Oreamuno to Nelson A. Rockefeller, January 12, 1949, box 5, folder 40, Nelson A. Rockefeller AIA-IBEC, RAC.
But IBEC Technical Services further added to the administrative confusion between AIA and IBEC managers. AIA’s and IBEC’s head in Venezuela, John Camp, pushed back on needing the new company, arguing that the idea was sound but that AIA and IBEC already had a “tremendous job” ahead of it.126 He was also confused as to his actual relationship with ITSC. He received inquiries about their work from local entities and was in the dark about their activities. Camp also didn’t understand IBEC Vice President and head researcher Robert P. Russell’s relationship to him and AIA in Venezuela. Rockefeller penned a note on a letter describing the issue, writing helpfully “should be cleared up.”127

Private capital for these subsidiary companies in Venezuela and Brazil was also a constant issue. Unable to convince Venezuelans and Brazilians to invest, Rockefeller was forced to partner IBEC with the Venezuelan or Brazilian government, as he was doing with AIA. States were the only ones who would take on risk. This issue of investment capital led to Rockefeller establishing the IBEC Investment Company in 1949, a financing company separate from IBEC but designed to work in partnership. It raised capital from a limited number of investors in private offerings. Latin American countries did not yet have securities or bond markets. The investment company set up subsidiary companies in the countries where IBEC worked to raise capital with local banks.128 Rockefeller complained that the World Bank and Export-Import Bank would not loan in local currency and that he had to raise the $500k to set it up himself.129

126 John Camp to Nelson Rockefeller, April 24, 1947, box 13, folder 129 series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
129 Memorandum of my conversation with Mr. and Mrs. Monahan, February 21, 1949, page 9, folder 113, box 18, RG III/4A, Nelson A. Rockefeller Personal Archives RAC.
Nonprofit Agricultural Research—The IBEC Research Institute

The agricultural research conducted by AIA and IBEC illuminates how nonprofit research also historically helped to structure the political economy of food during this period. As an integral part of food philanthropy, scientific research made agricultural development possible. An AIA report noted, “Although the primary purpose of AIA is not research per se, the Association conducts a wide program of practical research. . . . and all conclusive findings are immediately put to use and disseminated as widely as possible.” Scientific research fell under the nonprofit category in the US tax code because its research was meant to be shared widely for public use. But nonprofit research also had tremendous commercial value as illustrated by AIA’s transferring their work on hog cholera, hybrid corn seed, and silos to IBEC. This area of Rockefeller’s enterprises further blurred the distinctions between philanthropy and business in the political economy of food.

In November 1950, Rockefeller and his IBEC team established the nonprofit IBEC Research Institute (IRI) to undertake agricultural research for the tropics and subtropics. Its corporate charter stated that “the Corporation is organized and shall be operated exclusively for charitable purposes and not for profit, and no part of its net earnings shall inure to the benefit of any private member or individual.” It further stipulated that “the corporation shall not engage in any transaction in which it . . . makes any part of its services available on a preferential basis, or

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131 AIA also researched control of Suave ant, a rust-resistant oat crop, new bean and pea varieties, a bush sweet potato, other vegetables engineered for tropical climates, spraying cattle with insecticides, crop diseases and pests, and the availability of water supplies, see “AIA: The First Three Years, 1950,” page 35-36, box 1, folder 2A, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
to... any person who has made a contribution to the Corporation. But Rockefeller made contributions to IRI as did his family members.

Lockwood had concerns about IRI’s tax-exempt status because it was under the for-profit IBEC. The organization’s incorporation was delayed while IBEC’s lawyers studied the new tax code of 1950 which set up several changes for tax-exempt organizations, including a new concept of taxing unrelated business income. According to one contemporary legal analyst, the Revenue Act of 1950 was enacted to stem the trend of “more and more tax exempt bodies taking over” commercial activities, “utilizing these profits for their tax exempt purposes,” and practicing “dishonest manipulation.” The Treasury viewed “the entry of tax exempt bodies into industry as a loophole in the tax law” that needed some closing. The result were provisions in the Revenue Act of 1950 that aimed to put obstacles “in the path of the taking over of industry by tax exempt associations.” Lockwood urged Rockefeller to ensure that IRI had board members not associated with the management of IBEC and to keep the “Institute as separate as possible.”

Dr. Robert P. Russell, a chemical engineer and IBEC vice president, was tapped to lead IRI. Russell had resigned as President of the Standard Oil Development Company in 1947 to join IBEC in charge of research and development. Dr. Ferdinand P. Mehrlich, former Director of the Research Division of the Hawaiian Pineapple Company, was named Vice President. Trustees

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included Rockefeller, David Rockefeller, and the vice presidents of United Fruit and the Farm Mortgage Division of Metropolitan Life Insurance Company.135

IRI aimed to research the best practices to make tropical agriculture in Latin America more productive, efficient, and cost effective. It sought to increase production so that its practices would be widely adopted to improve agriculture and thus the standard of living in Latin America. But its primary focus was promoting industrial agriculture for the food companies that would profit from their research. Its focus was on “large, industrial-type, mechanized agricultural operations, since it is believed that the major increases in food production needed to step up national nutritional levels as well as to provide the food requirements of rapidly expanding populations and can be realized only if such large enterprises are established, either as cooperatives or as large individual farms.”136

Initial funds came from AIA, Rockefeller, the Rockefeller Brothers Fund (RBF), and also from the oil companies through AIA—Creole Petroleum, Compania Shell de Venezuela, Mene Grande Oil, International Petroleum, and Socony Vacuum Oil. AIA and IBEC received approval from the oil companies to share oil company contributions between AIA, IBEC, and IRI. IRI also planned to work with the Ford Foundation on research.137 In 1951, the AIA made a grant of $120,000 to IRI for weed control experiments in Venezuela and much of its early work focused on chemical weed control for corn, rice, black beans, potatoes, and sesame.138 IBEC provided IRI with purchasing and other supply services, including transportation, financial, fiscal,

135 “IRI,” box 14, folder 125, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
138 “Annual Report for 1951,” page 4, box 1, folder 1.3, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
administrative, and public relations services.\footnote{“Minutes of the First Meeting of the Board of Trustees of IBEC Research Institute, November 2, 1950,” box 36, folder 334, series B, RG III/4B, FA 339, Nelson A. Rockefeller AIA-IBEC, RAC.} A 1952 letter from the IRS affirmed that IRI operated as a tax-exempt organization, concluding that it was “organized and operated exclusively for scientific and educational purposes.” Based on that letter, IRI applied to New York state for exemption from state and city taxes.\footnote{US Treasury Department to IBEC Research Institute, September 18, 1952, box 36, folder 334 series B, RG III/4B, FA 339, Nelson A. Rockefeller AIA-IBEC, RAC.} Under Brazilian tax law, IRI could accept fees “provided the ‘scientific or cultural’ feature of the association is maintained.”\footnote{Egberto Lacerda Teixeira to Jerome Harrington, May 2, 1958, box 1, folder 2, series 1-9, FA 789A, Rockefeller Family Public Relations, RAC.}

However, IRI could also receive fees for “sponsored research” from for-profit agribusiness companies. Russell suggested “reliance be placed on industrial concerns as either prime or sub-contractors,” following the principles found so effective by the Office of Scientific Research and Development (OSRD) and National Defense Research Committee (NDRC) in WWII. Russell wrote, “Outfits like Ebasco, United Fruit, Dupont, Monsanto, Jersey, Shell, etc. not only have tried, large organizations to draw on, but, in my opinion, can be relied on to give outstandingly efficient as well as unselfish help in a time like the present.” He also agreed to Rockefeller’s guidance to provide AIA with research support and to work with the Rockefeller Foundation and the Inter-American Institute of Agricultural Sciences, located in Costa Rica.

Russell floated working with a wide variety of organizations, which illustrates the great complexity of philanthropic and commercial entities involved in the political economy of food and its agricultural research in the mid-twentieth century. Mindful of the need to keep “a fishy eye on the university people,” Russell suggested MIT, Cal Tech, Yale, University of Wisconsin, Iowa State, the Rockefeller Foundation, United Fruit, GE, Pan American, Weyerhaeuser, Cargill,
The politics and power players involved in ostensibly nonprofit research for agricultural development abroad were becoming quite complicated. In 1951, IRI’s contracted projects included fees from IBEC to study the feasibility of establishing a Brazilian agricultural chemical company and a survey of agricultural problems in Venezuela, fees from the Anacongo Corporation of Belgium about the feasibility of pineapple production in the Belgian Congo, and fees from *Sementes Agroceres* on new developments in the production and processing of hybrid corn seed. Russell and IRI also advised Rockefeller on “the prospects for a successful mechanized agricultural venture” on a 50,000 acre property in Chile. In addition to analysis of the agricultural productivity of the land, Russell advised Rockefeller on the potential profit margin as well as how to go about getting capital for the project.

In another example of IRI advising IBEC on the profitability of the latter’s ventures, Russell wrote to Lockwood in January 1951 advising IBEC to cease work with phosphatic salts in corn, rice, and oat seed impregnation. IRI experiments were disappointing in terms of productivity and profitability, particularly with the cost of phosphatic salts. But he also specifically advised Lockwood that IBEC needed to follow up its 1950 application for a patent of a vacuum rice and oat seed impregnation process with phosphatic salts. He advised Lockwood that IBEC publicize its process and patent its application before other commercial firms developed a similar process in order for IBEC to negotiate royalty fees. He said that the process

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143 “1951 Annual Report of IBEC Research Institute,” page 5, folder 125, box 14, RG IV/3B/2.11, AIA General, RAC.
should be credited to a joint contribution of IBEC, Battelle (another nonprofit research firm), and Boyce Thompson (a science institute located at Cornell), which would give IBEC good “public relations credit.” He also asked for IBEC to request that IRI talk about the process in their normal course of visits to phosphatic salts producers, marketers of rice and oat seed, and experimental stations in order to discuss the prospects of seed impregnation. IBEC could pay a nominal fee to IRI to do this. But he again stressed that IBEC should not invest any more funds in these impregnation techniques.145 The lines between nonprofit research and commercial application and profit seemed to be nonexistent in this case.

IRI worked out cooperative relationships with one of the largest coffee producers in the world, Cambuhy S.A. near Araraquara, to provide physical facilities, labor, and equipment for coffee field experiments in Brazil. They developed cooperative arrangements for research with General Foods, the Burrows Equipment Company (moisture meters), Gotcher Engineering (controlling weeds in cotton), the California Institute of Technology, and the University of North Carolina.146 Primarily working near Sao Paulo on Cambuhy’s huge experimental farm, IRI conducted studies in the 1950s on coffee using fertilizers, insecticides, and herbicides, mulches, and on the microbiology of coffee fermentation; on soil fertility for various agricultural products; and pasture studies to increase cattle production147 Standards Brands, a packaged foods company formed in 1929 by JP Morgan, cooperated with IRI, loaned its coffee research expert Dr. H.E. Foote, and shared results of its research on the improvement of the quality of Brazilian coffee.

146 “1952 Annual Report of the IBEC Research Institute,” page 4, box 14, folder 125, RG Four/3B/2.11, General Series 1, FA 079, AIA General Records, RAC.
147 “AIA and IBEC Research Institute Progress Report, 1957,” page 8-13, box 1, folder 1.4, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
IRI also worked with the State of Sao Paulo’s Instituto Agronomico at Campinas on weed control for corn, cotton, rice, and coffee.\textsuperscript{148}

IRI received funds from Anderson, Clayton and Company, a massive cotton brokerage firm that was moving into food manufacturing, for a long-term “basic horticultural research program in coffee.” William Clayton had been a key architect of the Marshall Plan as Truman’s Under Secretary of State for Economic Affairs. The company wanted IRI to move its experiments closer to its field experiment station in Brazil. As part of this cooperation, IRI also consulted with General Foods about research on food processing facilities.\textsuperscript{149}

IRI focused on what it dubbed its “profit potential” in making “a sizeable dent in food deficits and ultimately in food prices.”\textsuperscript{150} In a 1952 publication called “The Manual of Corporate Giving,” edited by Ruml and put out by the National Planning Association, Russell noted how “Agriculture is becoming a highly competitive business” and that agricultural development could not be imported into underdeveloped countries wholesale. Local conditions dictated that agricultural practices had to be developed in those economies as they had in the US associative political economy. He argued that “no matter how successfully research groups may establish technical fundamentals, such information is useless unless it is translated into large-scale practical operations.” Russell well understood the integrated web of philanthropy, business, and the state which had built American agriculture in the previous decades: “In the United States and Canada, this progress is achieved through the combined efforts of county agents, farm

\textsuperscript{150} “Memorandum Re: Possible Increase in Scope of IBEC Research Institute Activities, July 29, 1952,” page 12, box 6, folder 53 series B, RG III/4B, FA 339, Nelson A. Rockefeller AIA-IBEC, RAC.
cooperatives, state and national experiment stations, agricultural service departments of
industrial organizations such as Cargill, Inc, E.I. DuPont de Nemours & Co., Dow Chemical Co.,
International Harvester Co., Deere & Co., and many others.”

He argued that IRI, as a nonprofit organization, could provide the administrative vehicle
for agricultural research to bring such entities together on an “international scale.” Nonprofit
research could also spur foreign markets for American agribusiness goods. He noted:

The successful, large-scale translation of solutions to important technical problems in
agriculture has implications over and above its immediate impact in increasing the
amount of food produced and in decreasing its production cost. The widespread adoption
of highly mechanized agricultural operations brings in its wake very large requirements
for all types of agricultural mechanical equipment, for a wide variety of petroleum
products, for major tonnages of fertilizers, and for surprisingly large tonnages of
herbicides, insecticides, fungicides, and other agricultural chemicals. And the creation of
a more prosperous agricultural community helps to raise standards of living and to
increase the chances for political stability.151

However, Rockefeller was not solely focused on supporting American agribusiness at
home. He also wanted to create indigenous agribusiness companies to improve Latin American
economies. In 1953, after considerable AIA and IRI research on agricultural chemicals, members
of IBEC urged Rockefeller that “it is not sound to leave the development of the market and the
utilization of the knowledge to others whose primary interest may be in profits rather than in the
development of agriculture.” Therefore, Rockefeller established IBEC Agricultural Services as a
subsidiary company in Venezuela to develop the market for agricultural chemicals and
mechanized equipment. In addition to heading IRI, Russell became the Chairman and a
stockholder in the new commercial venture.152

National Planning Association, 1952), pages 393-398, box 4, folder 4.41, General Series 1, RG
IV/3B/2.11, FA 079, AIA General Records, RAC.
152 Oscar M. Ruebhausen to Nelson A. Rockefeller, June 30, 1953, box 32, folder 300, Nelson A.
Rockefeller Personal Papers, RAC.
The lawyers’ concern over IRI being part of IBEC was resolved on August 26, 1957 when IRI merged into AIA, a fellow nonprofit organization, which also saved money by combining administrative overhead.153 Russell remained the president and Jerome Harrington, also from Hawaiian Pineapple, became the vice president.154 But the merger did not end concerns with how IRI as a nonprofit research entity supported commercial agribusiness. AIA lawyer John French warned treasurer Lawrence H. Levy about taking fees for a Hawaiian Pineapple Company Study, and his comments well encapsulates the tax conundrum caused by Rockefeller’s “creative capitalism”:

To undertake a study of the ‘business climate’ is more in IBEC’s field that IRI’s. On the other hand, since it appeared to be primarily an agricultural project, it seemed to be quite close to the present activities of IRI. The main question, of course, is whether this type of activity, undertaken for a fee, would prejudice AIA’s status as an exempt organization. I do not believe it would, provided this type of activity does not become the dominant activity of AIA. I did point out to Jerry [Jerome Harrington] the possibility that the income derived from this activity would be treated by the Treasury as unrelated business income, on which tax would be payable. The receipt of unrelated business income does not, in itself, cause the loss of an organization’s tax-exempt status. . . . Our case is closer to the operation by an agricultural college or of a wheat farm, which is admittedly a “related” purpose. One important factor would be the degree to which we are permitted to publish the results of our study, and I have advised Jerry to obtain as much latitude in this area as he can.155

To maintain tax-exempt status, nonprofit research organizations had and still have to make their research available widely to fulfill the mandate that they operate “exclusively for scientific or educational purposes, no part of the net earnings of which inures to the benefit of

153 Lawrence H. Levy to M.G. Henry, September 6, 1957, box 6, folder 45, Nelson A. Rockefeller AIA-IBEC, RAC; Letter from Lawrence H. Levy to Nelson Rockefeller, box 63, folder 537, Nelson Rockefeller Personal Activities, RAC.
155 Letter from John French to Lawrence H. Levy, June 23, 1960, box 4, folder 4.41, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
any private shareholder or individual.” The 1950 Revenue Act did make exceptions to the unrelated business expense taxation for research: “certain exemptions are provided by the statute for income derived by colleges, universities, hospitals and other organizations for special research, the results of which are freely available to the general public.” Therefore, IRI made sure to disseminate technical bulletins and other publications. For example, it distributed over 2000 copies of its 1951 bulletin on weed control progress in Venezuela to agricultural and educational organizations in the US and globally. It stressed in its annual reports the many governmental research organizations and private research organizations on its mailing lists. IRI noted that it published its research widely “to all research agencies and interested individuals, both in Brazil and elsewhere in the world.”

But from the beginning and as evidenced by Russell’s concerns over seed impregnation, IRI was also very concerned about protecting any processes it developed as proprietorial or patented information. An early project with International Harvester tested IRI’s contradictory goals in making research available versus securing rights to any work it was doing on behalf of commercial entities. In response, IRI’s Board of Trustees settled on a policy, approved by their legal team, that “where agencies are retained for specific developments and costs for such services are to be borne by IRI, a written agreement shall be entered into prior to initiation of the work, stipulating that all patent, shop, sales and other rights flowing from the work shall be IRI’s

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156 See 15 USC. § 3703.
158 “1951 Annual Report of the IBEC Research Institute,” page 2, box 14, folder 125, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
159 Letter from Robert P. Russell to Walter Moreira Salles, Ambassador of Brazil to the US, January 28, 1960, box 4, folder 4.41, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
alone. Where cooperative arrangements are to be entered into with others, the minimum contractual protection to IRI, unless specifically otherwise authorized by the Board of Trustees, shall include the following: It will be agreed that there shall be a free, mutual exchange of technical information between the parties for the defined field and for the term of the contract but that no confidential relationship between the parties shall thereby be established.”

Clearly it wanted to protect the research it was doing on behalf of clients and not always provide it publicly.

**Oil Company Interests**

Because both AIA and IBEC received substantial support from the US oil companies in Venezuela, these companies had significant influence on both organizations. In the case of AIA, one can see the intricate politics at work between a food philanthropy and its corporate sponsors. This fact raises broader issues about the influence on nonprofits from donors—private or government—and the amount and nature of influence such donors might have. At AIA’s inception, representatives of these oil companies advised Rockefeller on how to proceed with VBEC and AIA in Venezuela. The oil companies were initially alarmed about the haphazard roll out of VBEC projects particularly and demanded to be given a role in its work. Rockefeller and his team experimented in his dual nonprofit and for-profit approach in nesting philanthropy with an international development company abroad. Oil company representatives were less than impressed by the experimental nature of these early efforts.

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In one candid internal memo assessing Rockefeller’s Venezuelan programs sent to Chester Crebbs, the President of Mene Grande Oil, the author thought that the main handicap of the enterprise was a “lack of coordination and integration of one project with another.” The oil companies were receiving copies of the famous Rockefeller “blue books,” which was how projects past the drawing board stage were sent to Rockefeller family members as proposals for funding. These set forth a project’s “purpose, modus operandi, and organization set-up in detail.”

But the Mene Grande assessment criticized VBEC for bringing in experts who were setting up their own projects with apparent inconsistencies in costs, salaries, and need. But the writer of the memo admitted, “I think it is inevitable that such a program as Rockefeller is undertaking in Venezuela must commit some blunders. There is no charted course for a privately financed program aimed at revolutionizing the economy of an entire nation and there are no established precedents to follow. For that reason I think we must be tolerant of the mistakes that are bound to occur at the outset. . . . It seems to me that the experience of the oil companies should be of great help but VBEC should take the oil companies into their councils before and not after these projects are hatched.”

The oil companies were also concerned with VBEC and AIA paying much higher salaries and living allowances to their American staffs than did the oil companies.

Based on concern about the disorganized roll-out, Crebbs stipulated to Rockefeller that the three big oil companies would be “kept informed currently as to the plans and projects of the two corporations and their affiliated and subsidiary companies.” They would also “be free at all times to make known its views as to whether in its opinion the objectives of the program as a

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whole are being served.” 165 Rockefeller suggested writing into their agreements the stipulation that VBEC and AIA “shall not undertake new projects without first advising and consulting with Meneg [Mene Grande], Creole and Caribbean.” 166 After some back and forth in the fall of 1947, Crebbs agreed to Rockefeller’s language about being kept informed about new projects and also lowered the amount of financial liability in the event Mene Grande decided to withdraw its support.167

A 1948 letter from Russell to Rockefeller described several significant mistakes made by VBEC in Venezuela over which Shell was readying a moratorium on further donations until they could sort it out. An example of one issue was VBEC failing to identify a source of fresh water for a new ice plant before actually building the plant. Another unnamed IBEC company apparently was having issues for which Russell “shudder[ed] to think of the oil company remarks that will be made when they learn of this new evidence of our amateur status.”168 The oil companies also became concerned that IBEC planned to go into oil development in Latin America. Rockefeller explicitly assured Wingate Anderson at Standard Oil of New Jersey that he had no plans for IBEC to be involved in oil production.169

By 1951 and at the request of the oil companies, AIA began making quarterly reports to its oil sponsors—Creole Petroleum, Shell Caribbean, Mene Grande, International Petroleum, and

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169 Nelson A. Rockefeller to Dr. T. Quartim Barbosa, June 23, 1949, box 1, folder 3, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.

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Socony Vacuum Oil Company. Reports dealt with AIA programs and stressed that oil company representatives were welcome to conduct field inspections of AIA activities. In addition, although the oil companies had not wanted publicity about their support of AIA and VBEC in 1946-47, by 1951 Creole Oil wanted a new publicity plan “aimed to identify Creole with our activities.” This was part of new negotiations with the Venezuelan government, and the oil companies wanted more public credit for their investment in the economic and social development of the country.

AIA agreed to the demand with a new seven-point publicity plan for both Venezuelan public and government consumption. Ed Stuntz of AIA’s CIDEA went further, arguing that AIA and IBEC must systematically publicize oil involvement as a pro-capitalist antidote to communist or fascist propaganda in Latin America. He urged AIA and IBEC to fight against the “smears” of “Yankee imperialism” and “dollar diplomacy.” He added, “More important for our western civilization, the public at large has a right to know what it is they do in the way of benefit for the communities in which they are permitted to operate.” Rockefeller also asked Coca-Cola to donate to AIA and argued that “credit can accrue to the Coca-Cola Company” by sponsoring work in Venezuela and Brazil.

In its proposal for 1954-1959 programs, AIA proposed more farm demonstration and nutrition work in “selected oil field areas,” in order to support communities around the oil

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170 “First Report to Oil Company Sponsors,” December 1951, box 10, folder 84, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
171 H.W. Haight to John R. Camp, March 30, 1951; Bernardo Jofre to Francis Jamieson, April 2, 1951; Ed Stuntz to John R. Camp, April 2, 1951, box 3, folder 30, series 1-9, FA 789A, Rockefeller Family Public Relations, RAC.
camps, as well as continuing to lobby for more oil company funding.\textsuperscript{173} CBR also focused more supervised rural credit on improvement of community centers and family living conditions in oil camp areas such as Ciudad Ojeda in Zulia state.\textsuperscript{174} Creole, Shell, and Socony agreed to donate to AIA in 1954 and 1955 and to continue to invest in IBEC. Mene Grande and International Petroleum stopped support in 1955. That year the remaining three oil companies gave AIA only $670,766. Creole thought that AIA had over their seven years made a “very real contribution toward the objective of raising the standard of living in rural areas of Venezuela” and that AIA methods had gained wide acceptance. But Creole again asked that its donations be given “public recognition.”\textsuperscript{175}

In addition to public recognition of its funding, the oil companies wanted AIA “to be more closely integrated with the Government’s regular activities” to ensure the development initiatives became permanent parts of Venezuelan society.\textsuperscript{176} The new AIA director Wallace Harrison assured the oil company general managers that AIA was planning to transfer more activities to the Venezuelan government as soon as possible. AIA said it would also concentrate more effort on training Venezuelan technicians and on mass education methods to support industrial education. This marked a shift from the consejo paradigm to working more directly with the government for a proposed two-year program. Harrison noted that Socony-Vacuum, Creole and Shell’s donations to AIA for the upcoming year 1955 were on a reduced basis and

\textsuperscript{173} “Proposed AIA Program in Venezuela, November 25, 1953,” box 3, folder 30, series 1-9, FA 789A, Rockefeller Family Public Relations, RAC.
\textsuperscript{174} “Annual Report for 1955,” page 4 and “Annual Report for 1956,” page 10, box 1, folder 1.4, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
\textsuperscript{175} “Telephone Call to John Camp, January 7, 1954” and H.W. Haight to John R. Camp, February 10, 1954, box 3, folder 30, series 1-9, FA 789A, Rockefeller Family Public Relations, RAC.
\textsuperscript{176} Wallace K. Harrison to Dr. Tamayo, March 10, 1954, box 1, folder 2A, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
contingent on these changes.\footnote{177 Wallace K. Harrison to Dr. James A. Tong; Wallace K. Harrison to Arthur Proudfit; Wallace K. Harrison to I.D. Davidson; Wallace K. Harrison to Hoyt Sherman; Wallace K. Harrison to J.A. Holmes, March 10, 1954, box 1, folder 2A, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.} AIA began plans to liquidate the CBR *consejo* and establish direct contracts with the Venezuelan ministry of agriculture. CIDEA’s nutrition information services transferred to the Venezuelan National Institute of Nutrition by 1956.\footnote{178 “Annual Report for 1955,” page 1, box 1, folder 1.4, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.} AIA continued to contribute to the programs’ operations on a reduced basis.\footnote{179 John R. Camp to Dr. Jose H. Rodrigues Cabrera, March 23, 1954, box 1, folder 2A, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.} In December 1954, the AIA board approved a Venezuelan agricultural information service in conjunction with the Ministry of Agriculture.\footnote{180 Memorandum From Walter L. Crawford and J. W. Hisle, December 14, 1954, box 1, folder 2A, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.}

At the urging of the oil companies, AIA began a new program with the Ministry of Education to begin training vocational trade school teachers, demonstrating a shift from agricultural development to vocational training to support industrialization. John Camp negotiated with the oil company representatives to confirm this process: “I believe we have developed this program following, at least in principle, the directive of their letters relating to the new contributions.”\footnote{181 John R. Camp to Wallace K. Harrison, April 3, 1954, box 1, folder 2A, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.} Camp outlined these changes to the oil company general managers in Venezuela in April 1954.\footnote{182 John R. Camp to Walter L Crawford, May 10, 1954, box 1, folder 2A, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.} Camp noted that the $636,000 financed from the AIA and $1,272,000 from the Venezuelan government met the “objectives and conditions” set forth by the oil companies’ letters of February 10, 1954. The oil companies also agreed to furnish $354,000 of AIA’s share of these programs into 1956. Creole’s General Manager H.W. Haight was still not
very happy with the funding formula—providing 55% of AIA’s share—but reluctantly agreed, stipulating that Creole would not further support AIA after 1956.183 Creole started its own foundation in 1956 with a $1 million fund to “promote cultural and scientific activities in Venezuela,” specifically in Creole’s operating areas.184 It asked AIA for guidance in launching the new Creole Foundation.

AIA and IBEC also had to contend with the politics of their host-nations. There were political issues of control and cooperation by the frequently changing governments of Venezuela and Brazil. In one example, Mrs. D. Sarah Kubitschek, wife of the new Brazilian president in 1956, asked AIA to contribute to her new volunteer social service group. In return, President Kubitschek promised to support AIA’s initiative for a nation-wide ACAR-type technical aid and finance program. Appreciating it as a “must” from the first family of Brazil, AIA donated $5000 from Nelson’s son Rodman Rockefeller for an ambulance unit.185 An interesting part of this transaction was that the President’s office initially called the Point Four office in Rio looking for “Mr. Nelson A. Rockefeller’s representative.” The Brazilians conflated Rockefeller with the official US government presence in Brazil. In another example of host-nation political pressures, due to nationalistic sentiment regarding AIA’s control of CBR, Venezuela successfully pushed to begin selecting the Executive Director of CBR instead of AIA. The Venezuelan government assured AIA that it would be consulted in the selection.186

186 Letter from John H. Camp to Lawrence H. Levy, June 29, 1960, box 4, folder 4.41, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
With decreased oil company funding, AIA directors in New York and in Latin America looked for ways to broaden its base of financial support in order to stay afloat and expand programs into more countries. Camp suggested exploring programs—primarily mass education and technical information—in Colombia, Peru, Chile and Central America and to seek more private and state support in those countries.\(^{187}\) He also proposed an information service for all of Latin America in the fields of agriculture, public health, and education.\(^{188}\) He wanted to use and improve commercial media in Latin America to more widely disseminate educational materials that could support development initiatives. He also suggested that AIA solicit American businesses with interests in Latin America. But the oil companies did not want any unexpended AIA funds at the end of 1955 spent for expansion into Peru or any other countries.\(^{189}\)

In 1956, AIA replaced some oil company support with increased support from the RBF and other Rockefeller family donations. AIA requested a grant of $525,000 from the RBF to cover operations from July 1956 to December 1959 in order to increase its participation in ACAR-type programs of farm and home improvement in Brazil. AIA argued that it was important to continue overseas development work in order to attract contracts under expanding US government programs of technical assistance abroad. It pointed out that under the Point Four initiative, the Escritorio Tecnico de Agricultura (ETA), a joint US-Brazilian agricultural service

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\(^{188}\) John R. Camp to AIA Director and Executive Committee, May 26, 1954, box 1, folder 2A, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.

with a $300k US government grant, would also participate. AIA would need to contribute less
due to expanding Point Four programs.190

**Rockefeller, AIA, and Truman’s Point Four**

Even before the oil companies began pulling back support in the early 1950s, AIA
recognized its funding challenges and began looking to the promise of a new American foreign
policy vision in Point Four. Truman’s inaugural address in 1949 matched Rockefeller’s
longstanding views on the need for the US to engage in development work abroad. As the
previous chapter shows, after the announcement, the Truman administration and Congress began
wrestling with how to actually implement Point Four goals. What was the correct mix of the
state, the UN, philanthropy, and/or commercial investment? Should the US government employ
development workers themselves or, as voluntary agencies were actively lobbying for in
Washington, funnel grants and contracts through food philanthropy to use their workers and
expertise? Not surprisingly, Rockefeller urged its implementation through the robust use of both
philanthropic and commercial enterprises.

Within weeks of Truman’s announcement of Point Four, Rockefeller commissioned
Reader’s Digest writers James Monahan and his wife Lois Mattox Miller, to write the AIA and
IBEC story in order to advocate for his model of tackling overseas development. Rockefeller
meant it to be published as a book and condensed in Reader’s Digest. He spent months dictating
the history of the organizations and sent the authors on a tour of AIA and IBEC projects in
1949.191 Ultimately the book was never published because Rockefeller was given a better

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190 “Request for Grant by Rockefeller Brothers fund to American International Association,” box 1, folder

191 Nelson A. Rockefeller to Dr. T. Quartim Barbosa, July 27, 1949, box 1, folder 6, series B, RG III/4B,
FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
platform to influence Point Four implementation when Truman appointed him Chairman of the 
IDAB. But the draft of the Monahan’s book gives important insights into Rockefeller’s thinking 
and the politics involved in making Point Four’s bold new foreign policy initiative a reality.

Although Rockefeller supported a strong US government role in Point Four, as noted 
previously he believed the state had limited competence to make sure development projects 
transformed foreign economies. He cited problems with US foreign agricultural development 
programs in the 1930s and 40s in which the USDA set up lots of experimental stations in various 
countries to develop seeds and other projects. While the concept was “excellent,” they 
“amounted to practically nothing” because any knowledge gained was not disseminated in the 
countries. Speaking “off the record,” Rockefeller thought that the US government did that 
“consciously, to keep anybody else out of the field so that if anytime anyone wanted to do 
anything in agriculture abroad, they could say that they were already doing it. I think it was 
political and I think it was done in order to prevent the development of large-scale production of 
products that the United States could be raising or is raising in order to protect the American 
farmer. Of course, the protection of the American farmer is a very important thing, but if there is 
a natural development of some product, we had to let that go.”192

He criticized a USDA station in Ecuador which after years of work still hadn’t developed 
a good cocoa plant or high yield rice and wouldn’t provide any statistics on their work on corn. 
When the IIAA went into agricultural development, the USDA “fought us tooth and nail from 
start to finish.” He also discussed the US government-sponsored development corporations tried 
in Haiti, Ecuador, and Bolivia during the war. Set up through the Export-Import Bank, the three 
development corporations worked on agricultural development for products needed for the war

192 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 7, 1949,” page 16, box 18, 
folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
effort—balsa wood in Ecuador, rubber in Haiti and Bolivia, but all were “fiascos.” This was due
to poor management because the US managed all aspects, but the local governments had to pay
the bills to the Export-Import Bank. This created deep foreign resentment and a lack of buy-in
for failures and successes. He also criticized it because they were seen as foreign-controlled,
imperialistic, and were perceived as having the potential to become more powerful than the local
governments. He concluded that the foreign development corporation run this way by the US
government was a bad idea. Rockefeller favored lots of little companies with some local
ownership in each one and managed by philanthropic voluntary agencies or commercial
development companies.\footnote{193 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 7, 1949,” page 16, box 18,
folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.}

He also made the point that sending technicians and money in without careful planning
could do more harm than good. He was concerned that new Point Four programs would be
implemented by US government or large foundations going in with great sums of money which
would either go to waste or make things on the ground worse. He said that the State Department
had no concrete plans for the development of poor countries, particularly in Latin America,
based on extensive talks with General Marshall.\footnote{194 Ibid., 25, box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.}

As a member of the Rockefeller philanthropic legacy, his interviews for the Monahan
book also give a fascinating glimpse into how he perceived agricultural development efforts
being conducted at the same time by his family’s eponymous foundation. The Rockefeller
Foundation’s work since the early 1940s to develop high yield hybrid seeds in Mexico was
perhaps the most famous agricultural development project in modern history, later dubbed the
Green Revolution. Rockefeller told Monahan that the foundation’s approach to agricultural
development raised “some extremely interesting philosophical questions” that he wanted to “discuss in the confidence of this room.” He said that the Rockefeller Foundation, later joined by the Ford Foundation, went in with no plan except to find out how to increase the yield of seeds. He said that it “was a very worthy important and significant contribution,” but they didn’t know what they were going to do with them afterwards. So what happened, according to Rockefeller, was that the Mexican government took the seeds and distributed them through a Comion de Maiz set up by the President and his law partner. The Mexican government could then strictly control who got the seeds, and “it offers the government the most powerful means of controlling the farmer that has ever been invented.” Rockefeller criticized the Rockefeller Foundation’s methods for giving the central government way too much political-economic power as a form of “socialism” over agricultural production rather than setting up private companies to compete and help smaller farmers.195

Reflecting on his own work in AIA and IBEC, Rockefeller stressed that the American development model must include a robust presence of American philanthropy, just as voluntary agencies were lobbying for in Washington. But he added that business must also be involved in exporting the political economy of food abroad. He argued that development must have local partners, both for public relations value and for political value in avoiding charges of imperialism. “Why not let them have their share at the beginning and let the thing be in the hands of private groups instead of in the hands of the government when it ends up as is so eloquently evidenced by what happened in Mexico. The result of that was that it ended up in the Government’s hands and now you have got all the problems and weaknesses of a government

195 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 14,” page 6, 1949, page 3, box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
operation of a highly technical industry.” Rockefeller in 1949 was raising what later became key criticisms of the Rockefeller Foundation’s part in the Green Revolution.

As noted previously, Rockefeller’s IDAB report “Partners in Progress,” issued in March 1951, strongly argued for “making the most effective use of private enterprise and of the varied international agencies and voluntary groups active in the field of economic development.” The report also advocated for a permanent unified US government agency to supervise all government development efforts for both economic and defense priorities and to ensure “consistency and continuity to US foreign economic policy.” Rockefeller’s vision for agricultural development and the example of his enterprises influenced the politics of Point Four, eventually shaping an intertwined state-philanthropic-business structuring of the political economy of food, both in helping the US food economy and in exporting it abroad. His enterprises also followed the voluntary agency and commercial organizations that began tapping into the expanded funding offered by the US government.

As early as 1950, AIA’s Director Hudgens raised their funding issues with Rockefeller and speculated whether they could get more funds from the CPRC or should “engage in some Point Four projects in Brazil.” AIA PR man Jamieson told him that “association of Rockefeller name with AIA was one of the greatest handicaps in getting outside money.” Rockefeller asked Lockwood whether they had established enough success to expand AIA

196 “Memorandum of my conversation with Mr. and Mrs. Monahan, February 21, 1949,” page 8-9, box 18, folder 113, RG III/4A, Nelson A. Rockefeller Personal Archives, RAC.
199 Francis A. Jamieson to Nelson A. Rockefeller, March 12, 1953, box 1, folder 10, series 1-9, FA 789A, Rockefeller Family Public Relations, RAC.
programs under UN or Point Four sponsorship. He wondered if they should also expand to Central America or elsewhere and whether more money might be forthcoming from oil companies or even United Fruit. Rockefeller continued to see the benefits of promoting good will for America in countries like Venezuela where the oil companies obtained benefits. But despite urging the US government to use philanthropy and business for Point Four, in 1950 he still doubted whether the UN or US government would significantly contract out its development work. At this early juncture, he still did not see how integral to development work philanthropic groups and business would become.  

In 1952, AIA’s closer relationship with Point Four agencies and funding became a reality under Hudgens’s direction. He pushed for a Point Four program involving ACAR, their Brazilian rural credit organization. He received support from the agricultural team at IIAA but had difficulty convincing the staff at the USDA Office of Foreign Agricultural Relations (OFAR). This latter state entity was working closely with Stanley Andrews in the TCA, and its agricultural heads were opposed to the consejo arrangement with local Brazilian governments. But Hudgens managed to negotiate AIA’s first contract in July 1952 with the TCA for an agricultural training project in Brazil.

Hudgens also looked elsewhere for support, from the large philanthropic foundations, from the UN, and as before from American business. In a letter to the head of the Ford Foundation in 1951, Hudgins wrote, “It is our purpose to demonstrate a plan by which private

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philanthropy and private business can perform dynamic and coordinated functions in this field
undertaking demonstrations and exploring activities that government agencies are not equipped
to undertake.” He argued that AIA was well placed to advise US and UN agencies in
development work. He also mentioned AIA’s discussion with United Fruit Company for a
region-wide rural development program in six Central-American countries and using Point Four
funds for agricultural development in the Sao Francisco Valley of Brazil. 203 Hudgens also
received a stipend from the UN Technical Assistance Administration to examine technical
assistance needed in Peru.204

In May 1951, Rockefeller went to Pasadena to meet with Paul Hoffman, President of the
Ford Foundation, to discuss a significant expansion of AIA programs in Latin America and
beyond. He asked about a possible sum of one to two million dollars per year for a minimum of
ten years. However, the Ford Foundation floated an idea that it was considering putting fully one
quarter of its income annually into Point Four related projects and wondered if AIA might be
interested in handling “a considerable portion of this amount.” Rockefeller thought that this
could add up to “twenty to twenty-five million dollars per year over a period of several years.”205

Rockefeller believed that the most important places to work at the time outside Latin
America were India, the Middle East, and Indonesia. He said that his organizations wanted to
expand to these areas but didn’t have the funds. He described the “interrelation of our various
philanthropic and business corporations and why it had seemed to us so important that we have
this wide range of tools to work with.” He also emphasized the importance of public relations

203 Robert W. Hudgins to Chester C. Davis, January 12, 1951, box 3, folder 23, series B, RG III/4B, FA
339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
A. Rockefeller Personal Files AIA-IBEC, RAC.
205 Nelson A. Rockefeller to David Rockefeller, May 11, 1951, box 35, folder 325, series B, RG III/4B,
FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
aspects in all their work. He thought that with well drilling, irrigation, and experimental work in insecticides, fungicides and weed killers along with fertilizers, “the Ford Foundation could break the back of famine in India.” The proposal included projects beyond India into Pakistan, Burma, Indonesia, Iran, the Arab states and Israel, Africa, and Latin America. It argued that because “governmental and international agencies [were] bound to spend increasingly larger sums of money” on development, it was important for philanthropy to undertake “the pioneer work” in this area and prove their worth for such programs.

To manage an arrangement with the Ford Foundation, AIA proposed a “nonprofit holding company” called the Ford International Foundation and using the AIA, IRI, and IBEC Technical Services as “operating vehicles for the program.” Lockwood again saw tax issues with the use of the term “holding company,” and suggested they propose the Ford Foundation just pay into a new philanthropic “agency.” However, this particular partnership didn’t come to fruition, although the historical record is not clear as to why it fell through. But these ideas foreshadowed future work that AIA would undertake with the Ford Foundation.

But another AIA partnership did materialize with another American entity wanting to do development work in India. Rockefeller and Murray Lincoln of the Cooperative League began discussions about mutual support projects as early as 1949. In 1953, AIA began a Joint India Project program with the Cooperative League to help two Indian cooperative unions with agricultural projects and education in rural areas. The Cooperative League donated the lion’s

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208 Ibid.
share of around $100k in the first year and $140k in the second year, while AIA added modest
contributions below $20k along with its expertise in rural development.²¹⁰ The Cooperative
League also paid for AIA to do an exploratory visit to Vietnam for a similar joint program.²¹¹

AIA speculated about working with other fledgling voluntary agencies who were asking
for their expertise. As noted in the previous chapter, in these early days of Point Four, many
groups were trying to figure out how to break into development work overseas. One AIA
manager thought that these organizations “appear to have little idea of how to select and
administer projects” and that “it was too early to tell whether or not these agencies will be able to
create sufficient interest and financial support for effective programs abroad.” CARE was trying
to develop a “self-help program” that might replace its relief package program eventually.²¹² But
Rockefeller turned down a proposal from CARE’s director Paul Comly French in 1953 to
support CARE’s delving into self-help projects in the Far East. CARE wanted to form a national
committee of like-minded organizations to stimulate public interest in CARE’s expanded
mission. Despite its “worthy objective,” both in his role as head of AIA and for the RBF,
Rockefeller did not feel that it was a “logical extension of CARE’s program.”²¹³

Another Model of Creative Capitalism—International Development Services Inc.

Based on the requests that AIA received from other organizations, Hudgens saw
opportunities presented by Point Four and UN funding for people with development experience

²¹⁰ “Annual Report for 1956,” page 6, box 1, folder 1.4, General Series 1, RG IV/3B/2.11, FA 079, AIA
General Records, RAC.
²¹¹ Nelson A. Rockefeller to Murray D. Lincoln, February 2, 1953,” box 3, folder 29; Lawrence Levy,
“Telephone Conversation with Walter Crawford,” July 30, 1956, box 1, folder 2A, series B, RG III/4B,
FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
²¹² “American International Association Community Projects Division, November 28, 1952,” box 3,
folder 29, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
²¹³ Paul Comley French to Nelson A. Rockefeller, February 2, 1953 and Robert C. Bates to Nelson A.
Rockefeller, February 25, 1953, box 54, folder 488, series L, RG III/4L, FA 348, Nelson A. Rockefeller
Personal Projects, RAC.
to offer their expertise to others. “AIA is a vehicle of international cooperation in nonprofit enterprise, wherein corporations may join in foreign cooperative programs without having to set up their own administrative machinery to handle them.” Per a suggestion by Ambassador Edwin A. Locke, Hudgens proposed to Rockefeller in May 1952 that AIA take over management of the Palestine refugee resettlement problem. Hudgens wrote that AIA did not have funds for such a project but did have the management experience for major humanitarian projects. It involved 850,000 refugees for whom the UN had earmarked $200 million dollars for agricultural services and engineering work. But Rockefeller demurred on taking up such a large project.

So, with Rockefeller’s support, Hudgens left AIA in February 1953 to form International Development Services (IDS), a new type of nonprofit management corporation created “as a vehicle through which both public and private assistance can be applied constructively to the problems of underdeveloped countries.” IDS illustrates another actor in the increasingly complex world of development aid, not quite part of food philanthropy, but nevertheless a new player involved in managing its work and in the politics of the political economy of food.

Hudgens took several AIA staff with him and advertised having experts “who have been active in the Nelson Rockefeller experiments—in bringing American know-how to underdeveloped regions in Venezuela and Brazil.” On the initial IDS Board of Directors were Clarence E. Pickett, former executive secretary of AFSC and several veterans of American southern agricultural development in the 1920s. IDS aimed to “render managerial and

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214 “Annual Report for 1951,” page 2, box 1, folder 1.3, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
217 “International Development Services, Inc.,” pages 12-13, box 14, folder 128, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
technical services to self-help programs in foreign countries.” It would offer “a variety of services to public agencies like the Technical Cooperation Administration, the Mutual Security Agency of the US government, the Technical Assistance Administration and specialized agencies of the United Nations; to foreign governments (receiving aid from the TCA, MSA and UN); and to private organizations interested in foreign aid.” IDS publicity argued that “a management job does not just happen.” It claimed the ability to work through negotiations with host-nation governments, to hire employees, and to appraise programs. It highlighted having the skills to conduct specialized studies for development projects before, during, and after operations. It argued that development work “can oftentimes be applied more successfully through a private agency than by the US government.”

In the politics of overseas development work, more sophisticated philanthropic management corporations like IDS became sought after. AIA began using IDS to manage some of its programs in order to streamline its work and reduce overhead in AIA’s New York office. Rockefeller informed the oil companies in Venezuela about its experimental management relationship with IDS and asked for their input. IDS took over management, accounting, administrative services, and purchasing for AIA’s operations with CBR in Venezuela in 1953. It managed AIA’s part of the Cooperative League program in India with a $15,000 initial contribution from AIA. AIA donated an initial $35,000 to help it set up other

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218 Press Release, March 17, 1953, box 1, folder 10, series 1-9, FA 789A, Rockefeller Family Public Relations, RAC.
220 Nelson A. Rockefeller to Dr. James Tong, Socony Oil, box 2, folder 14, series AIA General, RG IV/3B/2.11, AIA General, RAC.
221 “AIA—Proposed Agreement with International Development Services, Inc., February 9, 1953,” box 1, folder 9, series 1-9, FA 789A, Rockefeller Family Public Relations, RAC.
projects.\textsuperscript{223} IDS also worked for World Neighbors, Inc., a nonprofit consortium of church groups, and the Cuzco Development Authority, an agency of the Peruvian government partly financed by the UN Technical Assistance Administration.\textsuperscript{224}

By 1957, IDS wanted to significantly expand its role in the increasingly complex world of international development. By then, IDS had considerable work managing development projects with Point Four funds and in agreements with other governments. It had three contracts in Latin America (Guatemala, Bolivia and Haiti) with the ICA, successor to Point Four’s TCA, contracts with the British government for Western Nigeria, and contracts with the governments of Northern Nigeria and Ghana. IDS claimed that after frustrating negotiations, it had established a “better understanding of the key fact that there are many specific problems in ICA’s operations abroad that can only be solved through the contract use of a nonprofit corporation.” In the politics of food philanthropy and development abroad, the use of organizations like IDS were attractive to the US government.

With six years of experience at AIA and four years at IDS, Hudgens was confident that his team was “now ready to make a drive for non-government business and for business with foreign governments.” IDS saw a growing demand for its work, but needed more working capital to garner more US and foreign government contracts. Hudgens proposed establishing what he called “promotion engineers” to develop projects for non-ICA financing. He put forth the IDS foundational philosophy as “creating a favorable climate for the expansion of American business abroad by improving the productive capacity, purchasing power and standard of living of the

\begin{itemize}
\item \textsuperscript{223} Lawrence H. Levy to Louise A. Boyer, December 15, 1953, box 5, folder 43, series B, RG III/4B, FA 339, Nelson A. Rockefeller AIA-IBEC, RAC.
\item \textsuperscript{224} Press Release, March 17, 1953, box 1, folder 10, series 1-9, FA 789A, Rockefeller Family Public Relations, RAC.
\end{itemize}
peoples of the underdeveloped areas of the world.” He argued that what he called a “service foundation” such as IDS was the most efficient and flexible vehicle to manage the “useful application” of funds for overseas development work from a wide variety of sponsors.225

Hudgens’s described IDS’s work in this way:

> We have experimented successfully with patterns of administration that only can be managed by an operating foundation. IDS has exercised delegated authority for two governments simultaneously on the same project. It has performed delegated functions for the United Nations, an American business group, and a national government simultaneously on the same project. It has administered programs financed jointly by US business corporations and foreign governments. It has represented a foreign government before ICA and ICA before a foreign government. IDS was set up as a foundation, not primarily for the purpose of tapping tax-free funds at home but for the purpose of doing things in other countries that sponsors (for example, US government, United Nations, and private and business corporations) may be willing to finance but do not find it expedient to try to manage.226

The politics of development aid transplanting the American food political economy abroad were becoming quite complex and murky by the mid-twentieth century.

Hudgens argued that the transfer of technology to underdeveloped countries had to grapple with the “nationalistic sensitivity that colors the attitude even of the friendly nations who rely on US assistance.” Nonprofit groups such as IDS and AIA had better abilities to channel assistance through local agencies and assist them in eventually taking over their functions, as well as protecting the end use of the monies spent. But because of their unique status, they could do it without “interfering with the sovereignty of the receiving country or the prerogative of the agencies” through which assistance was being channeled. Because IDS technicians appeared to work under local boards of directors, they could claim a neutral position. “The source of funds financing the IDS teams is not important; it is their position in the administrative framework of

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226 Ibid.
the foreign government that is important.” Food philanthropy could navigate the increasingly complex world of overseas American and international aid while getting at least some degree of a buffer from perceptions of American and international influence and dominance. These were important arguments for an American foreign policy vehicle fighting Cold War communist claims of western capitalist and imperialist exploitation.

**AIA Taps into Point Four**

After Hudgens left, AIA decided to follow IDS’s example and offer its expertise for development projects by tapping more significantly into Point Four, UN, wealthy foundations, or corporate funds. In 1953, Walter Crawford, Hudgen’s temporary replacement, proposed revamping how AIA conducted overseas development, arguing a move away from the servicio-type joint programs with local governments and towards consulting, managing programs, and conducting broad information operations. He argued that “the Servicio Pattern does not permit AIA to compete favorably with the big organizations in the technical assistance field (IIAA, FAO, TCA, Rockefeller and Ford Foundations, etc.).” These governmental and philanthropic organizations were much bigger and better funded than AIA.

In July 1955, Camp also argued for offering “AIA’s services to private agencies and foreign governments to help them develop programs in the field of AIA’s specialty—health, agriculture, education. . . . in effect establishing AIA as a consulting or advisory service in developing programs for others.” He argued that the experience of AIA leaders was among its most valuable assets. He thought it would raise AIA “above the level of Agencies such as the

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227 Ibid.
228 Walter L. Crawford to Wallace K. Harrison, “The Continuation, Growth, and Financing of AIA through a Modified Plan of Operations, August 18, 1953,” page 2-3, box 2, folder 14, series AIA General, RG IV/3B/2.11, AIA General, RAC.
Ford Foundation, US Government technical assistance programs and many others.” It was a way to extend AIA’s usefulness and influence at a relatively modest cost. Their projects could be “tailor-made to the interests and needs of Creole, Shell, US Steel and General Motors as well as the government in Venezuela.” In Peru they could work with Grace shipping, Cerro de Pasco mining, and International Petroleum. He thought expansion was appropriate because AIA was founded by Rockefeller, the “founder of international technical assistance on a broad scale.”

He also thought that AIA should offer its services to the Iranian National Oil Company. Another AIA director, Louise Boyer, argued that AIA should not go into Iran unless they received support from the oil companies. Bill Coles, an IBEC lawyer, who worked closely with the oil companies in Venezuela, told Camp that he did not believe the oil companies would support such a venture by AIA. They might be more amenable if AIA could “make the oil company people think they are making the decisions.”

The Ford Foundation again approached AIA about managing work on its behalf, this time in the Middle East. On his way to India in 1955, Crawford met with a representative of the Ford Foundation which had made grants to NEF and AFSC for rural development pilot projects in Syria, Iran, and Jordan. He noted that the projects were similar to AIA’s development project in India focused on agriculture, health, education, and small industries. Bob Culbertson of the Ford Foundation asked if AIA would run additional work in Iran for which the foundation had $500,000 “going begging” for someone to manage the program. In December 1956,

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Rockefeller asked Camp to go to Africa to investigate new projects there that could tap into Point Four programs.\textsuperscript{233}

In 1955, AIA received ICA funds to support a national ACAR-type organization in Brazil, working with the ETA, the joint US-Brazilian Point Four organization. Crawford stressed that the advantage to AIA was to obtain “funds [from US government] to maintain an organization which we could not maintain alone.” It would allow AIA to leverage its expertise and maintain involvement in the expansion of the ACAR programs.\textsuperscript{234} In 1956, AIA formed the \textit{Associacao Brasileira de Credito e Assistencia Rural} (ABCAR) as a national nonprofit for supervised rural credit combined with farm extension.\textsuperscript{235} These programs continued with ICA funds and borrowed US government technicians and equipment through the rest of the 1950s.\textsuperscript{236}

Commercial corporations like IBEC were also becoming an integral part of the mid-century burgeoning state-philanthropic-business aid industry. As noted in the previous chapter, a quarter of TCA private technical aid contracts between 1951 and 1956 went to commercial firms, such as United Fruit, Liberian rubber companies, and Middle East oil companies to build schools and roads.\textsuperscript{237} When IBEC companies in Venezuela were in trouble in the early 1950s, one Venezuelan source remarked that “the institution that needs Point Four assistance most is the Rockefeller venture itself.”\textsuperscript{238} In a series of articles in the Christian Science Monitor,

\begin{itemize}
  \item \textsuperscript{233} John R. Camp to Louise Boyer, December 3, 1956, box 1, folder 2A, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
  \item \textsuperscript{234} Walter L. Crawford to John E. Lockwood, September 30, 1955, box 1, folder 7, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
  \item \textsuperscript{235} “US-Brazilian Cooperation to Raise Living Standards of Farm People in Brazil,” \textit{Brazil Herald}, July 4, 1956.
  \item \textsuperscript{236} Walter L. Crawford to the Board of Directors of AIA, June 8, 1959, box 1, folder 7A, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC; “AIA and IBEC Progress Report for 1957,” page 2, box 43, folder 315, General Series 3, RG IV/3B/2.13, FA 079, AIA Publications, RAC.
  \item \textsuperscript{237} Smith, \textit{More Than Altruism}, 50; “Doing Good Abroad,” \textit{Economist} 189 (October 11, 1958): 141-142.
\end{itemize}
Rockefeller’s commercial companies were criticized for their uneven performance, but AIA was lauded as both successful and popular in Venezuela and Brazil. AIA didn’t give the perception of a business trying to control local economies. However, in the mid-1950s, Barron’s analyzed IBEC’s work over the previous ten years noting that IBEC was itself performing a “hard-boiled” Point Four program. Despite early mistakes and failures, IBEC by the mid-fifties was “comfortably in the black” providing capital and skill to build local companies in Latin America. Its goals were based on “hard-headed” business practices and profits. Barron’s argued that foreign aid had become susceptible to overspending and questioned whether government aid was really the best way to raise living standards abroad.

AIA’s research subsidiary IRI was also working to make use of Point Four funds during this period and received PL 480 counterpart funds for research in Brazil. By the early 1960s, IRI had become significantly enmeshed within the US, UN, and philanthropic foundation food development regime. The USDA granted PL 480 funds to IRI for legume research, and the Food for Peace program also approved a grant of several tons of corn for experimental feeding purposes. IRI negotiated with the FAO to join the Animal Nutrition project in Brazil as well as receiving support from the Rockefeller Foundation. In addition, IRI requested another $350,000 in funding from the Ford Foundation for the period 1963-65 after receiving support for

242 Robert P. Russell to Louise Boyer, June 22, 1960, box 4, folder 4.41, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
1961-62. USAID supported IRI with another $11 million over the next 6 years for specific agricultural research projects in central and southern Brazil.

IRI separated from AIA in 1963, becoming the IRI Research Institute, Inc., largely over internal and external political disagreements about USAID funding. IRI’s Jerome Harrington resented the administrative control of AIA and felt that IRI was better at doing its own fundraising. IRI wanted to accept USAID funds under the Alliance for Progress for its work in Brazil, but AIA’s Camp wanted to continue its “policy to be associated with a local government or inter-American organization in its programs,” not contracted directly with USAID. USAID was pushing for IRI to split with AIA because it thought congressional committees would look more favorably on a new nonprofit entity working only on research and not tied into AIA’s other projects. Harrington was optimistic about more IRI financial support if it branched off. IRI took with it the Animal Nutrition Center work in Brazil which it continued with support from USAID and the Ford Foundation. The USAID contract provided a “major expansion of its research programs in livestock, feed and forage production” in Brazil. IRI was further

244 “Quarterly Progress Report, October-December 1962,” box 5, folder 43, series AIA General, RG IV/3B/2.11, AIA General, RAC.
245 Dick Dana to David Rockefeller, March 21, 1962, box 5, folder 43, series AIA General, RG IV/3B/2.11, AIA General, RAC.
246 John R. Camp to Jerome F. Harrington, May 8, 1963, box 5, folder 43, series AIA General, RG IV/3B/2.11, AIA General, RAC.
integrated into the American food aid regime in the 1960s by using 30 US Peace Corps workers at its extension farm in Brazil.\textsuperscript{249}

But AIA soon gave up its qualms about direct contracts with USAID and served as a conduit for a $10 million loan to the Agricultural and Livestock Bank of Venezuela for AIA and the Organization of American States (OAS) to cooperate on rural development projects.\textsuperscript{250} AIA also undertook an agricultural resource survey of the central plateau of Brazil which was contracted and reimbursed by USAID.\textsuperscript{251} In a 1963 evaluation of the entire AIA program, evaluator Victor Andrade argued that AIA should seek out more financial assistance from USAID or the Inter-American Development Bank. He also stressed that, while philanthropic groups could do positive development work in Latin America, particularly with the financial support of US or international agencies, that land reform and political stability in Latin American would still be key to bringing higher standards of living.\textsuperscript{252} AIA stressed the importance of land reform with its host-nation partners many times over this period, but it remained a difficult hurdle.

AIA’s work with the OAS reflected another rising political power player in the mid-twentieth century aid industry, that of regional political and civil society organizations. AIA had started an agricultural education program for all of Latin America in the late 1950s in conjunction with the OAS’s Inter-American Institute of Agricultural Sciences and Inter-American Popular Information Program. These included mass information programs in

\textsuperscript{250} “Design for Hemisphere Action: AIA Progress Report 1962,” page 36, box 1, folder 1.5, AIA General Records, RAC.
\textsuperscript{251} “Survey,” box 8, folder 8.64, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
agriculture, health, and nutrition fields.\textsuperscript{253} This project was also supported by the ICA.\textsuperscript{254} In 1960, AIA announced it would take more of its programs on a hemisphere-wide basis, in conjunction with the OAS. The focus was to resolve critical problems of rural development, overcome a lack of knowledge of basic agriculture, health, and self-improvement methods, and expand and strengthen rural youth organizations of the 4-H Club type.\textsuperscript{255} The ICA began giving scholarships in 1958 to send AIA’s 4-S rural youth specialists to the US to observe and study the 4-H Club movement. This became the Inter-American Rural Youth Program in 1960 covering all of Latin America. As of 1967, there were 220,000 boys and girls in the programs in 25 countries. AIA turned the Inter-American Rural Youth Program (\textit{Programa Interamericano para le Juventud Rural} or PIJR) 4-S program fully over to the US National 4-H Club Foundation in 1967. This Foundation was chartered by the Cooperative Agricultural Extension Service of the USDA and US state agricultural universities.\textsuperscript{256}

AIA also sought funding from other sources. The RBF pledged one million dollars to support AIA’s expanding programs into all 20 Latin American countries for years 1962-65. Rockefeller donated $450k and his father John D. Rockefeller Jr. donated $500k right before he died; Nelson’s father had declined donating to AIA previously in 1955.\textsuperscript{257} Three Venezuelan government agencies matched AIA funds with $2,750,000 over five years. AIA planned to wind down its activities and have them fully transferred to local governments by the end of 1965.

\textsuperscript{253} Press Release, November 12, 1958, box 1, folder 2A, series B, RG III/4B, FA 339, Nelson A. Rockefeller Personal Files AIA-IBEC, RAC.
\textsuperscript{254} “AIA Progress Report, 1960,” box 1, folder 1.5, series General Series 1, RG IV/3B/2.11, FA 079, AIA General RAC, RAC.
\textsuperscript{255} “AIA Press Release,” August 30, 1960, box 1, folder 1.6, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
\textsuperscript{256} Santiago D. Apodaca, “Rural Youth Clubs in Brazil,” box 3, folder 3.22, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
\textsuperscript{257} Wallace K. Harrison to John D. Rockefeller, Jr., February 5, 1960, box 3, folder 24, series 1-9, FA 789A, Rockefeller Family Public Relations, RAC.
Much of the focus of AIA’s agricultural programs during this time was to build upon Venezuela’s Agrarian Reform Law of 1960, a “conservative, gradualistic approach” to land reform in breaking up large land holdings and which served as an alternative to Cuba’s recent land tenure law modeled on Soviet collectivization.258

Despite the clear Cold War objectives associated with these many development programs, AIA claimed that it was not directly influenced by official US policy. In September 1964, the Chairman of the congressional Subcommittee on International Organizations and Movements asked AIA to fill out an exhaustive questionnaire on AIA activities. The “Questionnaire for Private Nonprofit Organizations Engaged in International Programs” asked AIA to rank what it thought about the relative impact of its programs abroad. AIA rated as most impactful its efforts to “promote voluntary self-help in economic development” and as last “combat communist distortions, doctrines and propaganda.” In between, it rated “promote understanding and acceptance of the fundamentals of democracy.” AIA rated that it only “occasionally” received information from the US government about its foreign policy objectives in the countries in which it operated.259 However, looking at AIA’s work over the previous twenty years, it had certainly made itself a geopolitical tool of American state and business interests.

After 22 years of work, AIA closed in 1968. By the mid-1960s, its directors decided that their programs had made sufficient progress in being incorporated either into host-nation government bureaucracies or with the OAS. Rockefeller had been gradually less involved with both AIA and IBEC through the 1950s in light of his increasingly high-profile political career.

258 Arthur Jones to Lawrence Levy, June 20, 1960; “RBF Meeting, May 19, 1960,” box 84, folder 558, RG3, Subgroup 1, FA 005, Rockefeller Brothers Fund Records, Projects (Grants), RAC.
259 Congressman Dante B. Fascell to Wallace K. Harrison, September 8, 1964, box 10, folder 83, General Series 1, RG IV/3B/2.11, FA 079, AIA General Records, RAC.
Calling Rockefeller a “technical assistance pioneer,” a press release said that AIA’s function had been to train people and to develop institutions to do the job and that it had succeeded in its mission. It turned over to national, state, and local governments or to private groups nine major programs, including more than 60 separate operating activities. By the 1980s, IBEC almost exclusively consisted of agribusiness holdings, but its uneven history dedicated to socially responsible food capitalism eventually ended as it was slowly absorbed by other corporations. The Financial Times declared that “this marks the end of one of the odder business ideas of the fabulously wealthy and philanthropic Rockefellers.”

AIA and its corollary entities were relatively small players in world of food philanthropy in the 1950s and 60s but, largely due to their creativity and the outsized influence of their founder, they served as an influential experiment in American overseas agricultural development. This case study of AIA and IBEC shows how early players in development aid innovatively explored how to go about structuring the political economies of food abroad in the postwar period. In doing so, they engaged in complex politics among philanthropic, commercial, state, host-nation, regional and international actors, laying the groundwork for the byzantine global political economy of food that exists today. They forged themselves into a geopolitical arm of American power abroad and had significant impacts on structuring the political economy of food in Venezuela and Brazil. AIA’s relationship with IBEC and other commercial enterprises also shows how incredibly porous, blurred, and overlapping were the boundaries of philanthropy and commerce in agricultural development by the 1960s. Rockefeller’s vision of having philanthropic and commercial organizations tackle development work abroad became a reality.

The US government and UN both used the expertise and agility of groups like AIA, IRI, and IDS to carry out agricultural work, funding them through increasingly larger and better-funded agencies and programs over time. With the lure of Point Four and UN funding, voluntary agencies like AIA operated in a tangled political climate increasingly dependent on their contracts and grants, in spite of the backing of one of the wealthiest families in America. Remaking world agriculture and socio-economics was not an easy or inexpensive task.

Rockefeller’s enterprises had mixed results in raising living standards in Latin America but, as with other global development work, they significantly altered how food was produced and what was consumed in Latin America. They also had mixed results as a geopolitical arm of American foreign policy, engendering gratitude among many poor peoples and also criticism from many who saw an overbearing power seeking to remake the world in its economic, social, and political image. Their efforts shaped Latin American agriculture in the American image of industrialized agriculture supporting an industrializing economy, with all the positive and negative impacts that has meant to those societies. Today the massive state-philanthropic-business aid industry continues to work to raise living standards globally, much of their work still focused on agricultural productivity. But many countries also have pushed back in recent decades, claiming food sovereignty and the right to determine their own way forward in improving their lives.
Conclusion
Philanthropic Politics in Global Political Economies of Food

“President Ford has instructed me to declare on behalf of the United States: We regard our good fortune and strength in the field of food as a global trust. We recognize the responsibilities we bear by virtue of our extraordinary productivity, our advanced technology, and our tradition of assistance.” ¹ Secretary of State Henry Kissinger in opening remarks to the World Food Conference in 1974

In 1984, when ACVAFS and PAID merged to create the American Council for Voluntary International Action, known as InterAction, it created a powerful association of US-based philanthropies operating abroad, most of which dealt with food security. InterAction dubbed the 1990s as the “Advocacy Age” during which it increased advocacy work from a new Washington DC headquarters. It successfully lobbied for the 1992 Horn of Africa Recovery and Food Security Act and established such successful campaigns as congressional Advocacy Day on Capitol Hill, “Just One Percent” to reverse cuts to food aid, and eventually #Giving Tuesday, which it helped found. In 2011, it debuted its “Choose to Invest in Foreign Assistance,” which has since provided freshmen members of Congress with an advocacy menu of foreign assistance budget analyses, narratives, and examples of effective aid proposals. Its FY2019 budget guide, signed by over 120 InterAction members, called on Congress to approve $59.1 billion in “poverty-focused international development and humanitarian assistance.” Today it has over 180 members managing more than $15 billion in programs worldwide focused on food security and other humanitarian and human rights priorities.²

² “This is InterAction,” https://www.interaction.org/ia-history-test/; “InterAction community releases U.S. international affairs budget priorities for FY2019: NGO alliance launches choose to invest - A guide to FY2019 development and humanitarian relief recommendations,” PR Newswire (April 17, 2018),
Today, InterAction is just one consortium of nonprofit groups that serve many of the same functions as its historical forebears: trade associationalism, coordinating public policy positions, providing research, policing its members in ethical standards, and particularly in advocacy with the US, UN, and governments worldwide. This dissertation began by noting the critical role of an earlier consortium, World Hunger Action Coalition, which acted as both liaison and key bureaucratic staff for the US delegation to the 1974 World Food Conference. Led by food philanthropy early in the century, philanthropic groups by the end of twentieth century not only had built a significant nonprofit sector within the American political economy beyond food, but they were also fully enmeshed in the full range of its politics.

This dissertation is a history of politics in the broadest sense, encompassing the activities of philanthropy, state, and business, among other liminal actors, which together structured the political economy of food in the twentieth century and then exported it globally. Politics here was a collaborative and contested wrangling over agendas and power—often messy, opaque, and taking place behind the scenes—where philanthropic groups were active shapers of the outcomes in an increasingly complex food system that evolved over the arc of the twentieth century. Philanthropic groups immersed themselves in the politics of food in order to feed the hungry and promote global food security, and contributed vitally to structuring the modern political economy of food and creation of today’s massive nonprofit industry across the globe. These groups operated as tax-subsidized entities to influence public policy and forge themselves into a new geopolitical tool of statecraft both within the American political economy of food and in


3 Others include the International Council of Voluntary Agencies (ICVA), National Committee for Responsive Philanthropy (NCRP), Independent Sector (IS), and NetHope. They have members operating in many areas of philanthropic work.
exporting it abroad as a significant aspect of US power. As a democratic expression of popular will, the charitable tax deduction’s size in terms of raw dollars has ticked upward from $4 billion in 1917 to over $200 billion today, and so is itself a significant element in the US political economy.\textsuperscript{4} The product of America’s abundance in time, resources, and moral imagination, philanthropy offered its unique ability to garner access to and exert influence among state and business entities at home and globally. In pushing for an active political-economic role in bringing food security to hungry millions, food philanthropy has helped to structure the political economy of food globally and also embedded transnational and local philanthropy into politics around the world.

As the early twentieth-century American food political economy faced the dilemma of balancing the needs of farmers requiring stable incomes and the rest of an industrializing country needing cheap food, philanthropic groups stepped in as a literal relief valve for food abundance. Groups such as NER, NEF, ACVAFS’s voluntary agencies, and AIA served as conduits to offload surplus foods, export American agricultural practices, and spur markets for American food, agribusiness products, and the other goods that could be bought as foreign economies developed. NER also helped legitimate the nascent processed foods industry, which in turn helped absorb more farm surplus.

Many individuals enabled the work of food philanthropy. Politicians like farm bloc leader Senator Arthur Capper recognized how NER could aid American farmers. Philanthropic visionaries like Charles Vickrey perceived the key role marketing could play in convincing people to buy into humanitarianism as a consumer activity, a forerunner of today’s moral branding. Businessmen like Edward T. Bedford saw in NER’s compelling mission and need for

resources a way to promote his *Karo* corn syrup and corn sugars. Wealthy foundations like Rockefeller’s and Ford’s advanced American scientific agriculture while voluntary agencies—along with commercial food industries such as IBEC—exported such practices on their own and eventually under Point Four programs. Like Nelson Rockefeller, food philanthropy writ large essentially engaged in experimental tinkering together with the state and business in order to make the political economy of food work at home and abroad, thereby helping restructure how the entire world produced and consumed food in the twentieth century. But tensions over farm prosperity versus cheap food haunted the political economy of food for the remainder of the century. Even as Kissinger urged making food more abundant and inexpensive at the 1974 World Food Conference, USDA Secretary Earl Butz made a speech advocating for better prices for American farmers.5

By advocating to become conduits for exporting American abundance in food and technology, philanthropic organizations immersed themselves in the politics of the political economy of food. Not merely the tools of American state or commercial power, philanthropic groups inserted themselves as active agents of change to influence public policy. NER, NEF, and ACVAFS agencies networked with a wide range of state actors and food interests. Voluntary agencies influenced food labeling decisions and legislation to receive food surplus, freight subsidies, and eventually development contracts under post-WWII programs. ACVAFS and CARE leaders envisioned greater political strength in philanthropic trade associationalism and cooperatives which allowed them to become executors of the Point Four strategic vision. Domestic voluntary agency leaders like Harold Gauer understood that local and national networking was critical to gaining support for CARE to be able to feed people and remake

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agriculture abroad. These groups used networking to radically increase their lobbying with the
state—an activity that American law has perpetually struggled to define and confine. Based on
the expertise and access to foreign governments that voluntary agencies built, the new Point Four
bureaucracies eagerly incorporated them as the face of US humanitarianism abroad.

Food philanthropy offered itself as a geopolitical force to use the bounty of American
food and agricultural technology to remake the political economies of food abroad while
bolstering it domestically. These efforts simultaneously obscured American power behind the
face of American altruism while deploying it into communities around the world. This history
also shows how philanthropic and state projects in food aid continually fed upon each other,
cycling and recycling between domestic and foreign contexts. The GEB paid to expand USDA
demonstration programs in scientific agriculture in the US, and then NEF took their methods and
decades of American state-supported scientific agriculture abroad. As a pioneering philanthropic
diplomat, NEF embedded its agricultural programs into host-nation bureaucracies across the
Near East. Agricultural intellectuals like Milburn Wilson recognized the advantages of NEF’s
community development work in remaking rural socio-economics, which he was simultaneously
trying to replicate in expanding USDA rural development programs under the late New Deal.
Point Four programs followed NEF and AIA in using the access and influence that voluntary
agencies built with foreign governments to establish agricultural development as part of host-
nation political economies. With the backdrop of the Cold War, both state and philanthropic
actors identified a Keynesian intervention in global political economies of food as the best way
to feed the exploding world population and pull the rural poor out of poverty. The convoluted
intersections of nonprofit and for-profit food development seen at play in the case study of AIA,
IBEC, and their myriad research and development initiatives show that this was not simply a
state-philanthropic associational deployment of state capacity but also a philanthropic-commercial one.

Voluntary agencies, along with wealthy foundations, and the work they did to promote food security in the mid-century gave the US state new tools of statecraft to support its Cold War objectives. Using philanthropy as the conduits of food aid and promoting their intricate partnerships with the food industry served foreign political and economic priorities. Because the US state and food industries saw themselves in competition with the planned economic models of communist states, the US state-commercial-philanthropic food system attested to the success of democracy, civil society, and the American political economy of food in creating abundance. Many philanthropic leaders believed that the industrialized American food system would bring the prosperity needed to promote stability and democracy around the world. And because of perceptions that philanthropy was ostensibly non-governmental and non-commercial, the state could deny accusations of blatant imperialism in exporting its model of the its profit-driven political economy of food. This dissertation shows that there were contestations among the state, business, and philanthropy in deploying food aid but also remarkable synergy. It also demonstrates how philanthropic influence in US foreign policy was tax-sheltered and state-supported throughout its tremendous growth.

As this dissertation illuminates, philanthropy played a key role in industrializing food production in economies of scale across the globe. Although food security has remained tenuous and inequitable in many regions, there is no discounting the life-saving benefits that resulted from vastly increasing food production to feed the world’s exploding population. However, the American system of food production has also displaced small farmers, increased industrialization and urbanization, made environmentally damaging food practices prevalent, disrupted social and
cultural practices, and—as Harvey Wiley feared—made fattening cheap processed foods addictive and ubiquitous. This story played out in the American political economy of food before it was transplanted throughout much of the world. Therefore, as philanthropies developed closer transnational ties with each other and through UN and regional bodies, by the 1970s some groups began to push back on this evolution.

This contestation converged with another by-product of this story which was that the boon in philanthropic groups in the US soon became mirrored around the world by the 1990s. The accessibility of contracts for development aid created an eruption of new nonprofits through the 1980s and 1990s, “a new type of PVO. . . . secular and technical in nature . . . closely affiliated with USAID” and highly specialized in its activities. While early philanthropic groups primarily focused on food, health, and education challenges, new organizations worked to alleviate all manner of issues including human rights, the environment, and animal rights, among many others. As one scholar has described, “broad historical changes have thus opened the way for alternative institutions that can respond more effectively to human needs.” Groups that flourished in the northern hemisphere by mid-century both inspired and directly promoted a “thickening network of some 20,000 indigenous nonprofit organizations” in the southern hemisphere by the mid-1990s. A host of state, international, and regional actors also prodded the growth of nonprofits abroad, particularly after the fall of the Soviet Union. Therefore, the food philanthropy revolution not only helped structure the political economies of food globally, but also helped to embed philanthropy into all aspects of politics globally.

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6 See Hurt, The Green Revolution in the Global South; Patel, Stuffed and Starved; Paarlberg, Food Politics; Paarlberg and Paarlberg, The Agricultural Revolution of the 20th Century; Cleveland, Balancing on a Planet.
7 McCleary, Global Compassion, 105
8 Salamon, “Rise of the Nonprofit Sector,” 110
9 Ibid., 114.
Both the large US-based transnational nonprofits like CARE and CRS as well as these thousands of smaller indigenous groups had impacts large and small on the politics of global political economies of food as well as on politics writ large in many of their countries by the end of the twentieth century. The power of old and new wealthy foundations and agribusiness interests also continued to complicate the politics around the interconnected global political economy of food. One example was the tension of increasing food production using more sustainable methods against the rise of the food sovereignty movement, a term coined in the mid-1990s to “strongly oppose corporate driven agriculture that destroys social relations and nature.”10 Today, some nonprofits are pursuing different—and sometimes contradictory—methods to undo the structuring of the industrialized food political economies carried out by the previous generations of food philanthropy.

In 2006, the Bill and Melinda Gates Foundation and Rockefeller Foundation together launched the Alliance for a Green Revolution in Africa (AGRA). Their initiative responded to some of the criticisms of the Green Revolution and development aid of the 1950s and 1960s by focusing on supporting small farmers’ access to inexpensive seeds, farming and irrigation technologies, markets, and financing in more sustainable approaches which could be less reliant on global agribusiness. It established programs in 13 African countries, many of which have been plagued by famine and severe food shortages in the past half century. AGRA works with

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10 On food sovereignty, see “La Via Campesina,” https://viacampesina.org; Patel, “Food Sovereignty,” 663-706. At the Forum for Food Sovereignty in Mali in February, 2007 delegates from more than 80 countries adopted the “Declaration of Nyéléni” stating: “Food sovereignty is the right of peoples to healthy and culturally appropriate food produced through ecologically sound and sustainable methods, and their right to define their own food and agriculture systems. It puts those who produce, distribute and consume food at the heart of food systems and policies rather than the demands of markets and corporations.” In 2008 Ecuador became the first country to enshrine “food sovereignty” into its constitution. Since then, six other nations—Venezuela, Mali, Bolivia, Senegal, Nepal and Egypt—have followed suit.
local governments and many African-based NGOs to subsidize farmers in increasing food production and thus food security. It supports African-based agricultural research centers and trains local entrepreneurs to sell needed supplies and equipment to farmers rather than relying on international agribusiness. The US and other governments have supported these initiatives. The USDA has encouraged philanthropy and private capital to aid research against the twin imperatives of needing to double global food production by 2050 to keep up with population growth while also coping with the impacts of climate change on agriculture. President Barak Obama’s Global Agriculture and Food Security Program, launched in April 2010, has worked closely with AGRA as have Canada, South Korea, and Spain.11

But there has also been controversy with AGRA. Criticism centers on its work with Monsanto, the large American-based agribusiness which is working with African scientists on biotechnology research, particularly on drought-tolerant crops. The Howard Buffet Foundation brought Monsanto into this important work with AGRA. But critics charge that the long-term result might be getting poor farmers hooked on “pricey patented seed technology” and chemical farming, criticisms similarly leveled against agricultural development aid in the 1960s.12 A 2020 study of AGRA’s work also claims that it has been ineffective and that the number of undernourished people in those 13 countries has actually increased by 31 percent since 2006. A coalition of African and European nonprofits supported the study criticizing AGRA’s work and instead called for “a shift in development priorities to agro-ecology and other sustainable

practices.”\textsuperscript{13} In 2021, the Alliance for Food Sovereignty in Africa (AFSA), representing some 200 million small-scale food producers and 160 nonprofits from 40 countries, urged donors to stop supporting AGRA.\textsuperscript{14}

Today, philanthropic activity in the politics of global political economies of food is exponentially more complex and contested. The demands of food security today both cooperate and clash with global activism regarding food sovereignty. Advocacy for food sovereignty has arguably been a rebuke to many aspects of the political economy of food grounded in industrialized agriculture that was championed by the US, other prosperous nations, and the vast network of food philanthropy over the last century. While many parts of the world still rely on American and international food relief and agricultural developmental aid, many nonprofits, civil society groups, and farmers push back on their practices, charging that they have promulgated big-business farming, unhealthy processed foods, ecological destruction, and social and cultural upheavals. These movements have grown as twenty-first century responses to perceived American market-driven and imperial intrusions into sovereignty over local political economies of food. Ironically, many of the food production practices that American food philanthropy worked so hard to promulgate in the US and around the globe in the last century are the ones that


today’s transnational and indigenous food philanthropy is fighting to change. Just as philanthropy has become embedded in all manner of politics globally, food philanthropy remains firmly engaged in politics to reshape political economies of food in new ways. As these recent examples of AGRA and the food sovereignty movement illustrate, the issues and actors in feeding the world remain a complex web of politics weaving through global food systems with profound stakes for the people of this planet.
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