US Foreign Aid to Libya, Morocco and Tunisia: The Eisenhower and Kennedy Administrations
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1. Introduction: The Rise of the Third World and Foreign Aid

Events in North Africa have a direct bearing on issues arising in the Middle East and elsewhere in Africa. US actions in this region are widely interpreted as evidence of our intentions and capabilities with respect to other dependent or newly-independent peoples.¹

National Security Council Report, November 4, 1959

After the Second World War old European powers had weakened considerably, and as a result their colonial empires began to crumble. Encouraged by the United States, which promoted the end of colonialism, these powers eventually conceded, and independent nations began to emerge in Asia and Africa. The first new Asian nations arose in the Middle East right after the war in 1940s and the first new African nations in Northern Africa in the 1950s. Wherever colonial power was not ready to relinquish its rule, wars of national liberation flared. At the same time, the relations between the two superpowers, i.e. the United States and the Soviet Union, were rapidly deteriorating.

The ensuing Cold War was closely intertwined with the process of decolonization, as the two rivaling blocs began to compete for the hearts and minds of the people of the new nations. These predominantly pre-industrial countries were often very poor, and politically and socially unstable without proper capacity to develop their economy and infrastructure on their own. Asians and Africans soon discovered that elsewhere the world had undergone dramatic improvements in living standards. The conviction that their poverty had been imposed by misrule stimulated the so-called “revolution of rising expectations”. Their antipathy towards their former colonial rulers, which were also allies of the United States, seemed to provide an easy way for the Soviet Union to spread its influence and Communist ideology. At the same time when the Soviets tried to maintain the status quo within their own sphere of influence they began to appeal to the people of Africa and Asia: across large areas of the Third World anti-colonial guerilla groups dominated by Communist and nationalist ideals were formed.²

Because of the pressure caused by the Soviet Union, the United States introduced a new phenomenon to the international diplomacy; it created the European Recovery Program.

or the Marshall Plan, in the late 1940s. The program’s objective was to rebuild the war-torn Europe and thus maintain social and political stability in the area. The Marshall Plan became a chief instrument in countering the expanding power and influence of the Soviet Union in Europe. Eventually, when the fear of growing communist influence increased in the United States, the US Government was ready to establish this kind of economic and technical support programs for the new emerging economies, who had not been affected by the war. This laid the foundation for modern development aid.3

1.1 Research Questions

In this thesis I examine how economic and technical aid for three independent North African countries, i.e. Libya, Morocco and Tunisia, was discussed and dealt with in the US Administration during the 1950s and early 1960s. What issues arose in the context of economic and technical aid? What motives are revealed and what were the potential reasons for the reduction or increase of the aid? How much, if any at all, did the US aid policy change with the new president? I will examine the period from 1953 to 1963, in other words the administrations of the Presidents Dwight D. Eisenhower and John F. Kennedy.

It is important to study the history of US foreign aid relations as well as its foreign aid policy because of the major role that foreign aid has played in international relations during the 20th century and still plays today. Aid is one particularly important part of relations between not only the United States but all wealthy industrialized countries and the developing nations. In order to properly examine the development of this relationship it is vital to study the factors that had an early influence on it.

Because of the major role that the relations with the Arab World have played in the foreign policy of the United States since the Second World War, it is also important to bring forth new elements and factors regarding the evolution of this relationship. The history of the US foreign relations, and particularly its relations with the Arab nations, has been, and still is, a very popular field of research. Within these research fields, economic relations as well as the US aid have been examined rather thoroughly, but it seems that my chosen topic, i.e. the US aid relations with the North African nations during the Eisenhower and Kennedy Administrations, have been somewhat disregarded.

I chose this particular period of time as it is relevant to examine and compare the Eisenhower and Kennedy Administrations from this point of view because the shift in these two presidencies has been generally considered, more or less, to represent a transition in the US foreign aid policy. The beginning of the Kennedy Presidency witnessed notable political and administrative changes. Two of the three countries, Morocco and Tunisia, only gained independence in 1956, thus the Eisenhower Era is a natural starting point for examination of US relations with the three nations.

As I mentioned earlier, examining the early development of US relations with North Africa, and particularly the aid aspect of these relations, seems to have been neglected, which is why I chose to examine US relations with Libya, Morocco and Tunisia in my work. These three countries also seem to form a rather homogenous group: they all gained their independence during the 1950s within a five year period and shared, besides their geographical location, the same language and religion. Because of this, examination of the possible differences in their treatment by the United States in aid matters forms an interesting topic.

Despite its location in North Africa, I chose to omit Algeria from my analysis because Algeria did not gain formal independence until 1962, and therefore comparing US relations with it during the two said administrations would be futile. I also excluded Egypt as US relations with Egypt, as well as the role of aid in the handling of these relations during this time period, is already a relatively well-examined topic.

In this thesis the term ’economic aid’ refers to the monetary assistance provided in the form of a grant or a loan. ‘Technical aid’ refers to projects aimed at improving recipient country’s infrastructure as well as the competence and know-how of its people through education so that the recipient country can better utilize its own resources.

1.2 Source Material and Previous Research

I approach my research questions by examining and analyzing documents from the Eisenhower and Kennedy Administrations, particularly documents produced by the Department of State and the members of the Executive Office of the President of the

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United States responsible for national security and foreign policy matters. The document material is comprised of various memorandums, reports, telegrams and other communication between the Department of State and US Embassies. The reports and meeting memorandums of the National Security Council (NSC) are of particular value, as NSC was one of the key forums in the formation of the US foreign policy.

The documents I have used as source material are from the manuscript collections of the Dwight D. Eisenhower and the John F. Kennedy Presidential Libraries as well as from the *Foreign Relations of the United States* series (FRUS) published by the Office of the Historian in the United States Department of State. FRUS is a collection of documents from various US government departments and agencies but it also includes the private papers by individuals involved in the formulation of the US foreign policy. However, it is important to notice that FRUS is an edition containing only a selected part of the documents accumulated during a certain administration. Therefore there is a possibility that certain documents that could have been useful for my research purposes may have been excluded. Together with the material from the presidential libraries the documents included in FRUS form an excellent basis for this research.

In addition to these primary sources, I have used some material from such printed editions as *Documents on American Foreign Relations* and *Public Papers of the Presidents of the United States*. Certain Congressional reports, such as *Report of a Study of United States Foreign Aid in Ten Middle Eastern and African Countries*, and *Report to the Congress on the Mutual Security Program for the First Half of the Fiscal Year 1959*, also contain important information. Statistical information provided by the USAID regarding US foreign aid has also proven to be very useful.

Secondary sources consulted include previous research literature and articles regarding US foreign policy in the Middle East and foreign aid, the most important ones being Robert Packenham’s *Liberal America and the Third World*, and Douglas Little’s *American Orientalism: the United States and the Middle East since 1945*. I also used throughout my thesis several works regarding both the Eisenhower and the Kennedy Administrations, such as Burton I. Kaufman’s *Trade and Aid: Eisenhower’s Foreign Economic Policy 1953–1961*, James N. Giglio’s *The Presidency of John F. Kennedy* and Stephen G. Rabe’s *John F. Kennedy: World Leader*. Works regarding the histories of Libya, Morocco and Tunisia offered valuable background information.
2. The Development of the Political Situation in North Africa after the Second World War

2.1 General Development in the Region

In the early 1950s, most of the North African region of Maghreb was still under European rule. However, colonial rule was coming apart: Italy had had to relinquish Libya after the Second World War, and under the guidance of the United Nations, Libya gained independence in December 1951, being the first African nation to do so after 1945. In western North Africa France and Spain were still trying to hold on to the territories of Algeria, Morocco and Tunisia, but the demands for independence were steadily gaining more and more strength. By the end of the 1950s both Morocco and Tunisia had become independent, and the French were waging a bloody war against the local freedom fighters in Algeria.

Due to religious and cultural factors North Africa was closely bound to the Middle East, which had already undergone a similar process of dismantling colonial rule. Partly because of its vast oil resources, the Middle East had been divided into mandate regions ruled by France and Great Britain after the First World War. By the late 1940s both countries had almost completely withdrawn from the area. A group of Arab nations had emerged in the wake. However, their borders as well as their systems of government were mostly designs of above-mentioned European powers. France and Great Britain were also able to maintain strong influence over the inner politics of the region. The strong nationalist sentiments that were growing in the there were heavily directed against the European influence and imperialism.5

The founding of the state of Israel and the disappearance of Palestine from the world map in 1948 had the most profound impact on the development of the Middle East and the Arab world. In the Arab-Israeli war, the young Arab nations failed miserably in their efforts to stop the founding of the Jewish state. The people and especially the military officers considered the weak pro-western governments as the culprits of the debacle.6 In Egypt, this led to a coup in 1952 as well as to the accession to power by Colonel Gamal

6 Ibid., p. 88.
Abdel Nasser\textsuperscript{7} two years later. Nasser soon became the figurehead of the Arab nationalism movement that emphasized the common history, culture and heritage of all Arabs. The Arab League, a regional organization of the Arab States founded in 1945, formed the institutional backbone that brought these nations together. However, true unity was often missing as the more progressive Arab leaders squabbled with the conservative ones.

The nationalization of the Suez Canal in 1956 and the consequent Suez war, in which Egypt fought against Great Britain, France and Israel, increased Nasser’s popularity among the Arabs even further. After the crisis, Nasser also began to promulgate the need to fight Western imperialism more loudly and to a wider audience. At the same time, he also highlighted the idea of Pan-Arabism that promoted the industrialization and the unity of the Arab-populated territories.\textsuperscript{8} Nasser became the hero to common Arab people everywhere, and his ideology gained a lot of ground, which alarmed many of the more conservative Arab leaders. In 1958, as a result of Nasser’s political work and influence, Egypt and Syria formed a union called the United Arab Republic (UAR). However, the union was short-lived as Syria seceded already in 1961. Despite this Nasser retained his position as one of the most important political figures in the Middle East until the humiliating loss of the Six-Day War against Israel in 1967.

2.2 Libya, Morocco and Tunisia

When Libya gained its independence in 1951 the country was in a terrible state. During the colonial period, the colonial ruler Italy had severely neglected the management of Libya’s economy and political administration. In addition, these fields were excluded from the native people: Libyans were prohibited to have administrative offices and Libya almost completely lacked a local merchant class.

Another grave problem arose from the fact that the three provinces of Libya, i.e. Tripolitania in the northwest, Cyrenaica in the east and Fezzan in the southwest, acted in a very independent way and did not form a strong unified entity. In fact, Libya was just a loose federation of the three provinces. The country was led by King Idris al-

\textsuperscript{7} Forms of names used in the thesis are the ones used in \textit{Foreign Relations of the United States}–series.

\textsuperscript{8} Kamrava 2005, p. 96.
Sanusi, but the federal government was relatively weak. The federal form of the government also caused an additional economic problem, because instead of having one government, the small and poor country had to bear the costs of both the provincial governments and the central government, each one with their own head of state, Parliament, Cabinet and a wide range of administrative and bureaucratic departments.\(^9\)

Libya had become independent without any considerable national movement or struggle for independence, and no true idea of a Libyan national identity yet existed in the 1950s. Even though Libya had a parliament, all political parties were banned already before the first elections in 1952, and all candidates in the elections were nominated by the government. The king appointed and removed prime ministers and was this way able to keep the strings of power in his hands. This led to a situation in which the role of the king and his court was highly accentuated in the Libyan politics. Usually, any attempts at reforms initiated by the prime ministers were hampered either by the provincial administrations’ extensive powers or by the opposition of the king’s entourage.\(^10\)

In addition to these issues, Libya had severe social problems at the time it gained its independence: Infant mortality had reached 40 per cent by the end of the Second World War. The infrastructure of the country was still in ruins in 1951, and 94 per cent of Libyans were illiterate. Only about one per cent of Libya’s territory was suitable for agriculture, and most of the population lived at subsistence levels and suffered from malnutrition and diseases. Foreign exports were almost none-existent, and during the first years of Libya’s independence, the only exportable goods were castor seeds, esparto grass, which was used for making currency, and scrap metal scavenged from the material left behind after the Second World War.\(^11\) It was obvious that the need for foreign economic and technical aid was great.

The huge country was also very sparsely populated: in 1954 Libya, with an area of about 1.76 million square kilometers\(^12\), had the population of less than 1.1 million people according to census.\(^13\) In 1953, Professor Benjamin Higgins, the economist

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\(^10\) Ibid., p. 49.
\(^12\) About 680 000 square miles.
appointed by the United Nations to draw up plans for Libya, depicted Libya’s miserable state in his report *The Economic and Social Development of Libya* by stating that:

Libya combines within the borders of one country virtually all the obstacles to development that can be found anywhere: geographic, economic, political, sociological, technological. If Libya can be brought to a stage of sustained growth, there is hope for every country in the world.\(^{14}\)

At the end of the 1940s, no minerals or oil had been found from Libya, but during the next decade several oil companies started exploration projects, and the first oil was struck in April 1956.\(^{15}\) In 1958, Libya was about to enter the international oil markets: there were some very promising oil wells, and more machinery was being moved to the country. In April 1959, oil was finally found in commercially exploitable volume, and the oil company ESSO quickly started to plan larger projects to utilize the oil resources.\(^{16}\) Suddenly, the poor and fledgling nation had gained a considerable economic trump.

The process of gaining independence was completely different in Morocco and Tunisia compared to what it had been in Libya. Tunisia had been a French protectorate since 1881, and Morocco had been divided into French and Spanish protectorates in 1912. In both countries, the traditional monarchs, the Bey of Tunisia and the Sultan of Morocco, were maintained as formal heads of state, but the real power was in the hands of the French and Spanish colonial officials.

A political party aiming for the independence of Morocco had been formed already before First World War, but the cause for and the idea of an independent Moroccan nation did not gain much strength until after the Second World War.\(^{17}\) The credibility of and as the support for the French colonial rule collapsed in Morocco during the war due to the poor success of the French Army: the French had been defeated in Europe and Moroccan armies had been called upon to rescue France. This destroyed the duality on

\(^{17}\) Charles F. Gallagher 1963, p. 99.
which the administration of the protectorate was based. Already in 1944, the new Istiqlal Party\textsuperscript{18} presented a manifesto providing an official demand for independence.\textsuperscript{19}

In Tunisia, the independence movement had also started to form in the first decades of the 19\textsuperscript{th} century. The organized Tunisian nationalistic opposition was driven underground in 1912 after civil disturbances and demonstrations, but nationalists established the Destour\textsuperscript{20} Party after the First World War. In the early 1930s, Destour was in shambles due to internal conflicts, and as a result a splinter group formed the Neo-Destour Party that eventually had a major role in obtaining independence.

However, France was not willing to give up its share of North Africa: In 1944, the head of Provisional Government of the French Republic, General Charles de Gaulle asserted that even self-government would not be a possibility in the case of North Africa. Instead he pledged that his government would implement a program of full assimilation in the colonial empire.\textsuperscript{21}

Attempts made by France to maintain its North African possessions were doomed to fail. Nationalistic sentiments were strengthened every year, and the war had weakened France considerably. At the beginning of the 1950s, violence and demonstrations began to increase in both Tunisia and Morocco. During the Second World War, the United States and Great Britain had formulated the Atlantic Charter, which was supposed to be the blueprint for the post-war world, but which also fuelled demands for freedom. The Charter set forth an idea that all people had the right to choose the form of government under which they live. In addition, the decision by the United Nations to grant independence to Libya had a strong impact in Tunisia where the more fully articulated nationalist aspirations remained unfulfilled.\textsuperscript{22} This was probably the case in Morocco as well.

In Morocco, the key figure in the resistance was Sultan Mohamed, who became a national hero when he opposed the French Protectorate administration. French officials eventually forced him into exile in 1953. This sparked even more active opposition, and

\textsuperscript{18} In English: Independence Party.
\textsuperscript{19} C. R. Pennell 2000, p. 255, 264, 294.
\textsuperscript{20} This is sometimes spelled Dustur, meaning Constitution. The whole Arabic name of the party was \textit{al-Hizb al-Dusturi al-Hurr al-Tunisi}.
\textsuperscript{21} Paul J. Zingg 1976, p. 47.
\textsuperscript{22} Kenneth J. Perkins 2004, p. 118.
Moroccans refused to accept the new sultan. In 1955, France eventually allowed Mohamed to return, and he started the negotiations that eventually led to the independence of Morocco in March 2, 1956.

Spain still had the control over most of northern Morocco and the province of Ifni as well as the Tarfaya Strip in southern Morocco. In addition, it controlled the region of Western Sahara on which Morocco laid claim as part of its pre-colonial territory. In 1955, Francisco Franco, the dictator of Spain, still predicted that Moroccans would not be ready for independence in twenty-five years. However, after the French acknowledged the independence of Morocco, Franco folded and the protectorate was discontinued after which most of the Spanish Morocco was surrendered to the newly independent nation in April 7, 1956. Spain still retained the control of the Province of Ifni in south and the cities of Ceuta and Melilla in northern Morocco.

After Morocco gained independence, Mohamed took the title of King and controlled his country’s political sphere until his death in 1961. Only the Istiqlal, which had mobilized the urban opposition against the colonizers, was able to form some kind of counterbalance to the King who, not only as a political but also as a religious leader of the state, was still the main focus of loyalty particularly for the large rural population. Among other things, the urgent requirements for a united front against the French and the need to cope with regional and tribal particularism necessitated continued cooperation between the King and the Istiqlal right after the independence was gained. After King Mohamed’s death in 1961, his son Hassan became the ruler.

In Tunisia, independence was achieved mostly due to the Neo-Destour party and its leader Habib Bourguiba, who led the negotiations with France. In 1955, Bourguiba was ready to accept autonomy for Tunisia, but when the Moroccan development led to the termination of the protectorate, Bourguiba demanded the same treatment for Tunisia. At this point, France was eager to move its resources from Morocco and Tunisia to Algeria, where it was ready to fight the erupted rebellion. Tunisia was granted its independence in March 1956, 17 days before Morocco. Only after a year of independence, the Neo-Destour Party abolished the monarchy, which the Party

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perceived as antiquated, and declared the Republic of Tunisia. Habib Bourguiba became the president and prime minister and controlled Tunisian politics for the following thirty years.

From an economic standpoint, Tunisia and Morocco were in a considerably better condition in 1956 than Libya at the time it became independent. At the time, Morocco was one of the most important phosphate producers in the world, but the country also had other mineral resources, such as lead and cobalt. The extensive mining industry laid a good foundation for Morocco’s economic growth and for the development of economic infrastructure in other fields as well.\(^26\)

Unlike in Libya’s case, the colonial era had left Morocco with a relatively rich economic infrastructure, albeit it was far from the level of industrialized Western countries. However, the fact that both wealth and education were unevenly distributed among Moroccans formed a grave problem. The small educated elite controlled most of the capital, and only a handful of rich people owned most of the best farm land while there was more than half a million landless families in the countryside. Most people earned their livelihood from small un-irrigated plots of less than four hectares. Morocco came very close to Libya in its illiteracy rate: 89 per cent of Moroccans could not read or write, and in the case of women this figure was 98 per cent. What made Morocco’s social problems greater than those of Libya was that Morocco had a much larger population that had to be educated and taken care of: in 1962, there were about 12 million people living in Morocco. In addition, immediately after Morocco had gained its independence, the French began to repatriate their investments from the country: solely in 1956, 150 million dollars worth of of French capital left Morocco. In Morocco, independence was followed by an era of economic stagnation that lasted well over a decade.\(^27\)

Economically and demographically, Tunisia fell between Morocco and Libya. Just like in Morocco, phosphates were an important export commodity, but Tunisia’s supply was considerably smaller. Agriculture remained as the most important economic sector: at the beginning of the 1960s, more than 65 per cent of the population was engaged in

\(^{26}\) Gallagher 1963, p. 151–152.

agriculture, and agriculture accounted for 32 per cent of the national income. Wheat, olive oil and grapes for wine making accounted for approximately 40 per cent of Tunisia’s annual exports.28

After the year 1956, Tunisia also suffered from the outflow of capital and the departure of both the colons, i.e. French immigrants who had settled in Tunisia during the colonial period, and many Tunisian Jews, who were moving to Israel. From 1956 to 1960, the number of colons fell by half and a further fifth between 1960 and 1963. Due to this, Tunisia lost a very large proportion of its executive class.29

Both Morocco and Tunisia maintained strong economic ties to France after the year 1956. This provided guaranteed markets for Moroccan and Tunisian exports but also meant that a possible deterioration in relations with France had a very negative impact on the countries’ economies.30

Even though the economic conditions were better in Morocco and Tunisia than in Libya, the situation was dismal in the late 1950s: both countries were still far from the level of the industrialized West; imports were constantly on higher level than exports, and high population growth curtailed the economic conditions even further. All this made the need for foreign aid eminent in both Morocco and Tunisia.

The relations between the three countries were relatively good. They shared a common goal in the liberation of Algeria. This was not only an ideological ambition as all three countries, but especially Morocco and Tunisia, were suffering from the backwash of the war: French military operations were spilling over into their territory, and they were receiving large numbers of refugees that had to be cared for. In some occasions, proposals of a co-operational bloc inside the Arab League or even a federation between the North African countries were made, but such ideas never came into reality.31

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Considering that Morocco and Tunisia had a similar economic background and a shared history of French occupation, it seemed likely that the two countries would be building close ties with each other. However, the countries started to drift apart already when Tunisia turned towards the republican form of government while Morocco remained an absolute religious monarchy. Relations between the two countries worsened in the late 1960s, but there was a period of reconciliation by 1963.\textsuperscript{32}

Table 1: Population, area and population density in Libya, Morocco and Tunisia between 1954 and 1955\textsuperscript{33}

<table>
<thead>
<tr>
<th></th>
<th>Population (in millions)</th>
<th>Area (km\textsuperscript{2})</th>
<th>Population density (per km\textsuperscript{2})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Libya</td>
<td>1.09</td>
<td>1,759,540</td>
<td>0.619</td>
</tr>
<tr>
<td>Morocco</td>
<td>10.4</td>
<td>446,550</td>
<td>23.290</td>
</tr>
<tr>
<td>Tunisia</td>
<td>3.9</td>
<td>163,610</td>
<td>23.837</td>
</tr>
</tbody>
</table>

2.3 US Attitude towards North Africa and Its Activity on the Region

At the beginning of the 1950s, the Cold War situation and the global power struggle with the Soviet Union formed the basis of the US foreign policy, and from this basis the US evaluated its relations with the rest of the world. As one of the two superpowers, the US had its own geostrategic needs in North Africa as well as in the Mediterranean region.

The American economic interests in the area were still relatively low during the 1950s, and this applied for the whole of Africa as well as the Middle East: between 1950 and 1957, the Middle East and Africa received only about six per cent of the total amount of the new American private investments abroad, and most of this money was invested in petroleum.\textsuperscript{34} The importance and the value of the Middle East were accentuated by its oil, as the availability oil was considered to be crucial for national well-being in the United States. However, it was Western Europe that had become entirely dependent on the Middle Eastern oil.

In addition to the Cold War alignments and oil, the leading element behind the Middle Eastern policy of the United States was the preservation of the State of Israel. Although

\textsuperscript{32} Gallagher 1963, p. 214–216.
\textsuperscript{33} Administrative Divisions of Countries ("Statoids"), http://www.statoids.com/uly.html., Amin 1970, p. 33. Libya’s population estimate is from the year 1954, and those of Morocco and Tunisia are from 1955. Morocco’s area does not include the cities of Ceuta and Melilla or the region of Western Sahara that were occupied by Spain and that Morocco later on laid claims to.
\textsuperscript{34} Thomas G. Patterson 1972–1973, p. 124.
Eisenhower acknowledged America’s moral obligation to support Israel, he and Secretary of State Dulles insisted that the United States must also pay attention to the Arab viewpoint in order to maintain peace in the area.35

Immediately after the Second World War, the United States continued to support the idea that Great Britain was responsible for taking care of the political stability of the Middle East and North Africa, because it had been the dominant power in the region for a long time. In addition to this, France would naturally take care of its own territories in North Africa. It did not take long for these views to change. Already at the end of the 1940s, it seemed quite clear that the United States would have to take on a greater role in the Middle East: the authority of both Great Britain and France was steadily declining in the region, and the Soviet Union was making new diplomatic moves and increasing its activity in the Middle East at the same time.36

The process that led to the independence of Libya formed its own struggle, and this reflected well the new power arrangement. When Libya’s situation was discussed during the late 1940s, the great powers presented very different ideas on how the development of the country should be directed: the United States wanted to turn Libya into a United Nations Mandate, while the Soviet Union, which was trying to achieve a foothold on the Mediterranean, desired to take Libya as its own mandate. France, which preferred to maintain the region’s old power balance, would have wanted to give Libya back to Italy. Later on, Great Britain gave its support to the French plan.37 In the end, the American plan prevailed, and Libya remained under the UN control until it gained its independence.

When the Eisenhower Administration came to power nationalism was quickly gaining ground everywhere in the Arab world. Both Eisenhower and Dulles opposed colonialism on moral grounds and came to the conclusion that the right policy would be to dismantle the old colonial structures. Any attempt to maintain them would mean ignoring the rising nationalism, which could cause radicalization, and Eisenhower regarded any kind of radicalism as an invitation to communism. He was also familiar with North Africa having commanded the Allied Forces there during the Second World War.

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35 Little 2002, p. 77–78, 89.
36 Thomas A. Bryson 1977, p. 135.
37 William A. Polk 1975, p. 182.
War and empathized with the nationalistic aspirations rising in the area. Eisenhower tailored these aspirations to suit his overriding goal of containing communism.\footnote{Jeffrey A. Lefebvre 1999, p. 63; Sangmuah 1990, p. 77–78.}

Although both Eisenhower and Dulles saw decolonization as a very long and slow process, their policy’s result was that the United States eventually come at odds with its own ally, France. At this situation the US foreign policy leaders tried to be as cautious as possible. They did not want to anger France and thus weaken a valuable NATO alliance. On the other hand, if they sided too strongly with France in this issue, they would alienate the people of the French colonial possessions and drive them to the communist camp. For the nationalists of North Africa, this meant that the search for official American support for their aspirations was largely disappointing as they confronted a country which implemented policies in direct contradiction to the announced principles. In addition, as the people of North Africa appealed for the promises made in the Atlantic Charter, France was able to remind the United States about the wartime political pledges for the restoration of the French colonial empire that were confirmed within the Anfa Accords signed at Casablanca in January 1943.\footnote{Zingg 1976, p. 41, 55.}

The problem that the United States faced in North Africa in connection to France was part of a larger issue: Despite its opposition to colonialism, the United States was ready to help the French in their efforts to maintain their fledgling empire in order to keep an important ally, particularly when there was a threat of communist expansion. For example, between 1950 and 1954, the United States supported France in the First Indochina War, a policy which eventually led to the US entanglement in the Vietnam War. In North Africa the Eisenhower Administration chose a more cautious approach.

When the pressure for independence increased in Morocco and Tunisia during the 1950s, the United States did not make any strong statements to support their independence, but instead it suggested gradual reforms in both countries with internal autonomy as the ultimate end. When the independence of Morocco and Tunisia started to seem inevitable, the United States tried to make sure that these countries would not turn against the West as a result of French actions. In a secret Department of State position paper in January 1956, it was proposed that the United States should diplomatically pressure France to continue making concessions to Morocco and Tunisia,
so that “moderate pro-Western leadership may retain its popular following”. When Morocco and Tunisia finally achieved their independence the United States quickly gave its official recognition to the new nations.\textsuperscript{40}

In North Africa the United States was also struggling with a crisis that had a major impact on the relations between the United States, its allies and the Arab nations: the Algerian War of Independence between France and the Algerian independence movements. France was not willing to give up Algeria as easily as Morocco or Tunisia. The French had controlled the area since 1830. Since the time, hundreds of thousands of French and other European colonists had settled in Algeria so that the number of people of European descent accounted for over one million, or roughly 10 per cent of Algeria’s population at the beginning of the 1950s. Many of the French considered Algeria as one of the French provinces that just happened to be located on the other side of the Mediterranean. There were also economic reasons to hold on to the territory: the Algerian Sahara had been estimated to have petroleum deposits at about four million barrels of reserves, in addition to which there were also huge natural gas deposits.\textsuperscript{41}

The conflict that began in 1954 and ended in 1962 and that resulted in Algerian independence was a very destructive element not only in the Franco-Arab relations but also in the broader West-Arab-relations. In 1959, it was presented the US National Security Council\textsuperscript{42} (NSC) report that the Algerian War had had a profound impact upon the international standing of France and was a major cause for the diminished contribution of France to NATO, and therefore, it was weakening the military strength of NATO in Europe. The same NSC report also expressed that the Algerian war was having an adverse effect on the Western political influence and the US interests in Africa and Asia, and that this was a handicap in competition with the Soviet Union. Therefore, it was recommended that the United States should contribute its influence on a realistic settlement at every appropriate opportunity. This had to be done cautiously,

\begin{footnotesize}
\begin{itemize}
\item \textsuperscript{41} Gallagher 1963, p. 152–153.
\item \textsuperscript{42} In the United States, the National Security Council (NSC) is the principal forum used by the President for considering national security and foreign policy matters with his senior national security advisors and Cabinet officials and is part of the Executive Office of the President of the United State. Since its creation in 1947, the function of the Council has been to advise and assist the President on national security and foreign policies. The Council also serves as the President's principal arm for coordinating these policies among various government agencies.
\end{itemize}
\end{footnotesize}

In addition to the Algerian War, the political situation in the Arab world developed in a very problematic way for the United States at the end of the 1950s. During Eisenhower’s second term in office the United States started more actively to intervene in the development of the region. After the Suez Crisis the prestige and authority of Great Britain were almost completely gone, and the United States perceived that it had to increase its activities even further in order to fill the vacuum left by Great Britain.\footnote{Bryson 1977, p. 203.} For this, it had a very good chance thanks to the prestige that President Eisenhower had gained by pressuring Great Britain, France and Israel to seize their military action during the crisis. In this situation and particularly because of the constant pressure and the threat posed by the Soviet Union, Eisenhower revealed his new foreign policy doctrine in a message to the joint session of the Congress in January 5, 1957.

The Eisenhower doctrine\footnote{In my source material, this doctrine is also sometimes called the US doctrine for the Middle East.} presented the direction of the new Middle Eastern Policy in the Cold War world. Firstly, the United States would assist and cooperate with any nation or group of nations in the region in their effort to develop their economic strength. Secondly, the United States was going to increase its military cooperation with the Middle Eastern countries and, by request, employ its armed forces to secure and protect the territorial integrity and political independence of such nations against armed aggression from any nation controlled by communism.\footnote{Message of the President on the Middle East, January 5, 1957, \textit{Documents on American Foreign Relations, 1957–1958}, p. 195–204.}

The doctrine was not exactly received with open arms everywhere in the Middle East. In this issue, the Arab countries were divided into two camps, but Libya, Morocco and Tunisia all expressed their support for it. In fact, President Bourguiba of Tunisia was the first Arab leader to publicly speak out in favor of the Eisenhower doctrine.\footnote{Memorandum of a Conversation, Tripoli, March 15, 1957, Secret; Memorandum of a Conversation, Rabat, March 2, 1957, Secret; Memorandum of a Conversation, Tunis, March 18, 1957, Secret, \textit{FRUS, 1955–1957, Volume XVIII} 1989, p. 467–472, 561–564, 660–663.}
Nasser as well as his foreign policy of neutrality and the Arab Nationalism he vigorously promoted were considered one, regional problem by the United States at the end of the 1950s. Since Nasser’s rise to power, US officials had made several attempts to get him to cooperate with Western security plans, but with little success. When Nasser accepted 40 million dollars worth of US economic aid in 1954, it seemed that US hopes for closer ties could be achieved. Nevertheless, the relations between the United States and Egypt remained strained, and by March 1956, the members of the Eisenhower Administration had come to the conclusion that Nasser had emerged as a threat to the US national security interests in the Middle East.\(^{48}\)

What made Nasser’s neutrality particularly alarming was his anti-West declarations and very open and friendly attitude towards the Soviet Union and the Communist Bloc. Because of this, the spread of Nasser’s influence in the Middle East was perceived as a deterioration of US control and as an improvement of the Soviet Union’s abilities to maneuver on a strategically important area. Nasser’s extreme hostility towards Israel was also considered a cause for concern in the United States.

When John F. Kennedy was elected as president, there were high expectations in Africa that a fundamental change would occur in the US policy toward colonialism. This was true particularly in North Africa, for Kennedy had established his reputation as a champion of self-Determination by denouncing French colonialism in Algeria on the floor of US Senate in July 2 1957.\(^{49}\)

The Kennedy Administration inherited the legacy of the Eisenhower-Dulles foreign policy against which Kennedy himself had attacked as a senator. In Kennedy’s eyes, Eisenhower and Dulles had supported the European colonialism. In North Africa, this policy had, on the surface, implicated the United States as a co-conspirator with French colonialism in Algeria, and this was a view that Kennedy was extremely keen to reverse.\(^{50}\)

However, even though Kennedy had criticized French colonialism as a senator, he chose a very cautious approach towards the French policy in North Africa as a president. Like Eisenhower, Kennedy did not want to alienate an important ally, whose support he

\(^{49}\) Lefebvre 1999, p. 61.  
needed when there was trouble in Europe, for example the Berlin Crisis. About the Algerian war, which was the biggest problem in the Franco–North African relations, President Kennedy stated to presidential aide Arthur Schlesinger that “our sympathy is with the anti-colonial nations,” but it would be in the best US interest to “sit this one out”.\textsuperscript{51}

The Kennedy Administration perceived the Middle East in regional rather than global terms, i.e. it did not view the region solely through the prism of the Cold War. As an outspoken supporter of a Jewish homeland in Palestine, Kennedy remained sensitive to Israel’s security needs and was therefore very interested in the security situation in the Middle East. In addition, he understood the growing importance of the Middle Eastern oil and was very aware of the developments in North Africa, as he had served as chair of the Senate subcommittee on Africa. Kennedy considered better relations with Nasser as a key to his new Middle Eastern policy, and tried to establish a friendlier relationship by using economic aid as a foreign policy tool. This was made easier by the fact that Nasser had started to distance himself from the Soviet Union and he had outlawed the Communist party already in 1958.\textsuperscript{52}

Due to the US policy regarding the Algerian situation, the prestige of the US declined in North Africa from the advantage gained during the Suez Crisis. Despite this, the governments of all three North African countries showed a relatively positive attitude towards the United States. In the case of Libya and Morocco, this was largely due to the monarchs: both King Mohamed of Morocco and King Idris of Libya often proclaimed their friendship with the United States. In 1960, a National Security Council report approved by the President stated that, out of all Arab countries, the United Sates had best relations with Libya at the time. However, Morocco was gradually moving towards the policy of nonalignment at the end of the 1950s. This was a fact that the United States gradually accepted and, regardless of which, tried to maintain warm friendship with the country.\textsuperscript{53}

\textsuperscript{51} Stephen Rabe 2010, p. 169.
\textsuperscript{52} Giglio 1991, p. 246; Guess 1987, p. 242; Lefebvre 1999, p. 65; Little 1988, p. 501, 504; Rabe 2010, p. 158.
In the late 1950s, Morocco and Libya were also important to the United States from a military point of view: both countries had US bases that were used by both the Navy and the Air Force. The bases were considered strategically very valuable and losing them would have meant a serious deterioration of the US global nuclear deterrent in the late 1950s. It would have been almost impossible to replace all of them at the time, and it would have been extremely costly and time consuming to replace all that was replaceable. Thus, simply from the military point of view it was clear that the United States had to maintain friendly relations with both Libya and Morocco. In a broader strategic scheme, North Africa formed the southern flank of the European defenses.54

Unlike Libya or Morocco, Tunisia did not have any US military bases in its territory. However, the country had strategically a very valuable position, and loosing Tunisia to the communists would have been a devastating blow to the US military interests. Fortunately for the United States, Tunisian political leaders seemed to be very pro-West. Despite the strong tensions that Tunisia had with its former colonial ruler France, President Bourguiba chose a Cold War alignment with the United States and its allies. The United States even touted Tunisia as a model for other developing countries.55

The newly independent Libya became quickly dependent on foreign economic aid due to the vast economic and social problems. In Libya’s case, the two biggest donators, in addition to the United States, were Great Britain, which also had a military base in Libya, and the United Nations. In addition Italy was providing a credit of 4.9 million dollars and a grant of 2.8 million dollars as war reparations at the end of the 1950s.56

The value of the economic and technical aid provided by the United States increased very dramatically in the 1950s: in 1954, the annual value of the aid was three million dollars, but three years later, it was already more than 20 million dollars. By the turn of the decade, Libya was receiving aid about 30 million dollars as aid.57 After gaining its independence, Libya had received more American aid per capita than any other country.

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55 Perkins 2004, p. 140.
in the world by 1959. In the fiscal years 1957–1958 and 1958–1957, the amount of US economic assistance was over 50 per cent of the Libyan public expenditures. All in all, in 1953–1961, the United States provided Libya assistance in different forms, excluding the military aid, for the value of 173.1 million dollars. During the Kennedy Administration, the amount of aid to Libya began to decline: in the peak year of 1960, Libya received 31.7 million dollars of US aid, when the amount was only 12.3 million dollars in 1963.

The US aid received by Morocco exceeded easily the aid received by Libya in dollars. In 1953–1961, Morocco received aid worth of 290.3 million dollars. Most of this was given after 1957, because the US aid to Morocco was minimal before the independence. Considering Morocco’s larger population, the US aid per capita was considerably smaller than for Libya.

Just like Morocco, Tunisia did not get much aid from the United States before its independence. After the independence was gained, the amount of aid steadily increased every year. Even though Tunisia received less assistance than Morocco, it received almost double the amount of dollars per capita until 1960 and more than double the amount after that. From 1961 to 1963, at the same time when aid to Libya began to decline, the US aid to Tunisia and Morocco was fluctuating, and in 1961 and 1963, Tunisia even received more aid per capita than Libya.

Table 2: US Foreign aid to Libya, Morocco and Tunisia per capita in dollars from 1953 to 1964

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<td>8.21</td>
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<td>7.52</td>
<td>3.73</td>
<td>5.01</td>
<td>2.81</td>
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<tr>
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<td>0.03</td>
<td>0.03</td>
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<td>6.79</td>
<td>8.20</td>
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<td>25.05</td>
<td>10.89</td>
<td>14.90</td>
<td>9.38</td>
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62 Ibid.
3. Economic and Technical Aid and the US Foreign Policy

3.1 The Birth of American Foreign Aid

In the beginning of the Cold War on January 20, 1949, and right in the middle of the Berlin Blockade, which deteriorated the US-Soviet Relations considerably, President Harry S. Truman gave his inaugural speech that started his second term. This speech is generally considered as the starting point of the modern development aid. According to Truman’s speech, the United States was going to start a new international program:

…I 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.⁶⁴

Prior to this, the United States had already provided substantial economic aid to Europe in the form of Marshall Aid Program in order to help the European nations rebuild their societies after the Second World War. However, after Truman’s inaugural declaration, this aid policy was extended to cover the whole world, and it became a permanent part of the US Foreign Policy.

Because Truman had included this declaration as the fourth point of the foreign policy section in his speech, the aid program that was created was named the Point Four Program. By the end of Truman’s second term, it was funneling 500 million dollars a year in technical and financial assistance to developing nations.⁶⁵ The Point Four Program was nowhere near the scale of the Marshall Plan, but it did not remain the only aid program of the United States: already in 1951, Congress approved the first so-called Mutual Security Act, which directed seven billion dollars to foreign aid.

The implication of these programs required new administrative structures: the Technical Cooperation Administration (TCA) was founded in September 1950 to oversee the application of “Point Four Program”, and only year later Mutual Security Agency (MSA) was created to provide the economic, technical and military aid funded by the Mutual Security Act.

⁶⁴ 1949 1950, Inaugural Address of the President (Truman), January 20, 1949, Documents on American Foreign Relations, p. 10.
From the beginning, the most enduring feature of the US foreign assistance was the concern over security that which can be easily seen in the naming of the Mutual Security Act and MSA. The theme of anti-communism was also persistent. The first post-Second World War programs were almost completely justified in these two terms. The Point Four Program and the military aid component were considered to be mutually supportive when it came to strengthening the free world against communism.66

3.2 The Eisenhower Administration

When Dwight D. Eisenhower became President in 1953, it suddenly looked like the American aid policy, which was still in its infancy, would die quickly. The new Republican Administration regarded this policy a useless mistake. In addition, Eisenhower, who was a strict fiscal conservative, considered that one of his most important tasks was to cut the Federal Budget considerably and weed out unnecessary expenses. Instead of direct aid, Eisenhower was planning to support the nations in Asia, South America and Africa by increasing foreign trade and American private investments abroad.67

Eisenhower’s aid policy had its strong supporters among the politicians, who favored the neoclassical economic policies, and the fate of foreign assistance seemed sealed. However, the development of the international political situation and especially the framework of the Cold War quickly forced President Eisenhower to change his attitude towards aid directed to poor nations.

After the death of Stalin in 1953, the Soviet Union started to change the direction of its foreign policy from the previous Eurocentric attitudes and accentuation of its military might. Stalin had known little about the Third World and had had trouble accepting its nationalist movements, which did not completely follow his instructions. Therefore, he did not undertake any sustained effort to project Soviet influence into the Third World. Under Khrushchev’s leadership the Soviet Union began to strengthen its ties with the newly independent countries around the world and offered them economic and technical aid very generously. In the United Nations, the delegates of the Soviet Union also allied

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themselves with the representatives of the developing and neutral nations and supported the larger UN aid programs.\textsuperscript{68}

The Eisenhower Administration viewed this new policy of the Soviet Union as an “economic offensive” that threatened to tie the vast Third World tightly to the Communist Block. The Mutual Security Act of 1954 was created to ensure that the US aid policy was able to respond to the challenges of this new situation. On July 10, 1954, Eisenhower also signed Public Law 480 (PL 480), which enabled purchasing American agricultural products and directing them overseas in the form of aid. Later on, PL 480 and the program it created were dubbed Food for Peace. This law was not necessarily purely a result of the Cold War developments, as PL 480 can also be construed as the Eisenhower Administration’s domestic policy move and as an attempt to support American farmers. The PL 480 program, which was not managed by the Department of State but by Department of Agriculture, provided a channel for the US agricultural surplus in the form of buying and transferring it to the foreign markets and thus reduced the costs of storage for food surpluses.\textsuperscript{69}

Because of the response to the Soviet action, the foreign aid provided by the United States did not diminish during the Eisenhower presidency, but quite the opposite: with the exception of the year 1957, the value of the US government new economic and technical aid grants to the developing countries increased every year from 1954 to 1961. During this time, it grew from 925 million dollars to 1.812 billion dollars. In addition, the United States became more attentive to the problems of the Third World countries and assumed greater responsibility for meeting their economic demands. This was actually a major shift in the US foreign policy: when Eisenhower had become president, economic planning had continued to consist mainly of making the existing Western economy work, and the primary objective under the Truman Administration was to consolidate the Atlantic Alliance. In comparison, the Truman Administration paid only little attention to the needs of developing nations, and economic and military assistance to the European colonial powers in fact contributed to strengthening the capacity of these powers to restructure their empires. Additionally, Eisenhower broke with

\textsuperscript{69} Guess 1987, p. 35; Kaufman 1982, p. 29.
Truman’s emphasis on technical assistance and switched to a combination of trade and aid to stimulate economic development.\(^{70}\)

Eisenhower’s decision to continue and intensify foreign aid programs gained a lot of support from many experts, but the President’s proposal met continuous strong resistance from both parties in Congress. On May 27, 1957, President Eisenhower defended foreign aid in a nationally-televised address in which he also requested the Congress to make major changes in the Mutual Security Program. According to Eisenhower, foreign aid was neither charity nor extravagance, but prudent investment in the nation’s own defense. In addition, he declared that the United States had to help the Third World nations to maintain not only the military strength to preserve their independence, but also the hope of improved living standards in order to maintain their legitimacy. Otherwise, communist extremists would use the opportunity to “extend their branch of despotic imperialism”\(^{71}\).

The President’s proposals did not get a very good reception. Because of all of the opposition in Congress, the Mutual Security Act of 1957 authorized 500 million dollars less than what Eisenhower had requested. The appropriations also suffered severe cuts every year before they were passed in both houses of Congress.\(^{72}\)

Despite all these problems, the US Government was trying to develop and increase the effectiveness of how this aid was directed. During the 1950s, the administrative organization of the management of the aid programs was renewed on several occasions, but at the time it did not seem to gain a strong structure: in 1953, the MSA and the TCA were replaced by the Foreign Operations Administration. However, it was discontinued after only two years of operation and replaced by the International Cooperation Administration (ICA) under the control of the State Department. At the same time, the Development Loan Fund was founded to support the ICA’s aims and to manage the development connected lending. All this time the PL 480 program remained under the direction of the Department of Agriculture. The scene remained fragmented until the change of administration introduced a complete reform of the system.


\(^{71}\) Chester J. Pach Jr. and Elmo Richardson 1991, p. 165.

\(^{72}\) Michael E. Latham 2000, p. 27; Pach 1991, p. 166.
During all the years of the Eisenhower Presidency the primary goal of the US foreign assistance policy, i.e. the security of the United States, remained the same. The humanitarian ideals seemed to have always been secondary or perhaps even tertiary. The meeting of the Council on Foreign Economic Policy held in July 1956 illustrates this well. During this meeting, the newly appointed chairman Clarence Randall criticized the foreign aid program and stated that he did not believe that the basic objective of US foreign economic policy was “milk for every Hottentot” but to rather increase the military security. The Secretary of the Treasury George Humphrey suggested that all foreign economic policies, including the aid policy, should be determined on the basis of “what was good for the United States”.  

According to Robert Packenham, a Professor Emeritus of Political Science at Yale University, the central development objectives of the American aid continued to be tied to the Cold War concerns throughout the 1950s. However, there were also other arguments in support for foreign aid in the presidential messages and congressional testimonies by the leading administration witnesses. These also had a primary emphasis on the interests of the United States. The justifications included economic objectives, such as helping to ensure continued access to vital raw materials, helping to increase American exports and developing markets for future exports as well as helping to provide employment for hundreds of thousands of Americans. In addition to these, some more idealistic and humanitarian goals, such as democracy, freedom, prosperity for all and international cooperation, were also present.

After the Second World War, there was an emergence of many international institutions that were set up with reconstruction or development agendas. Due to its leading role in the world, the United States had a key role in these institutions. During the 1950s, the discussion about the establishment of new international development institutions, such as United Nation’s Special Development Fund, were intensified. However, the United States was very negative towards these kinds of plans.

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One reason for negativity was that economic and technical aid had become very important means for the United States to get countries to its own camp and keep them there. If valuable resources had been transferred to international organizations, it would have meant that the United States had had to loosen its grip on these valuable foreign policy tools. On the other hand this way it seemed that the United States played into the hands of the Soviet Union: In March 1956, in his letter to George Humphrey, the US Ambassador to the United Nations, Henry Cabot Lodge Jr., expressed his grave concern over the fact that the negative stance towards the UN development fund was hurting the image of the United States among the developing nations and this was taking place while the Soviet Union was expressing its support to these kind of plans.\(^75\)

When the amount of funds that the United States provided to the international organizations for aid purposes and the funds it provided directly for the recipients during the period of 1945–1963 are examined, it is very easy to notice that the United States clearly favored the direct approach: during that period, the amount of bilateral aid was about 55.5 billion dollars, whereas the international organizations and financial institutions, such as the International Monetary Fund and the International Development Association, received less than one eight of that, i.e. about 7.2 billion dollars. In addition to this, the United States was, of course, contributing a considerable share, i.e. nearly 40 per cent, of the budget of the United Nations.\(^76\)

The amount of aid that the United States provided during the 1950s was also considerably larger than that of the Soviet Union’s: according to an estimate from 1958 by the United States Government, the value of aid provided by the Soviet Union and other countries of the Eastern Bloc in different forms was only about one fifth of that provided by the United States. However, the US aid was spread to a larger number of countries: about fifty developing countries received aid from the United States, while the communist countries were distributing their aid for only seventeen countries.\(^77\) The Arab region is a good indicator of how the Soviet Bloc was concentrating its aid efforts:

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between July 1, 1955 and February 1, 1958, the Sino-Soviet Bloc gave 445 million dollars worth of economic aid to the Arab region excluding North Africa. Again, this aid was concentrated to only three countries, i.e. Egypt, Syria and Yemen, and Yemen’s share was only 16 million dollars. At the same time, the economic aid provided by the United States to the same area was 67 million dollars, and it was divided between four countries. Israel alone received 88 million dollars worth of US economic aid during the same period.78

3.3 The Kennedy Administration

The beginning of the Kennedy Presidency in 1961 can be seen as the start of a new phase in the US foreign aid policy. According to Dr. George M. Guess, the Director of the Center for Democracy and Election Management at the American University, the key American policy-makers were making conscious efforts to forge coherence in foreign aid for the first time. This was a stark shift from the Eisenhower Administration throughout which the foreign aid remained “amorphous”, “provisional” and “casually operated”.79

During the presidential election campaign of 1960 John F. Kennedy had constantly emphasized that the United States would have to take a more assertive stance in the Third World and demonstrate that the liberal and capitalistic system was the right one. This could be achieved through programs involving foreign aid, scientific advising, trained personnel and a combination of agricultural and industrial planning. In addition, Kennedy criticized Eisenhower and Dulles and insisted that the United States had lost crucial ground in the struggle over the world development during the Eisenhower Presidency. Already in 1958, Kennedy had, together with seven other Democratic senators, urged President Eisenhower to reassess the Mutual Security Program.80

Kennedy believed that Eisenhower had put too much emphasis on military assistance during his presidency, which apparently ignored the developmental needs of young Third World nations. The denial of foreign aid to countries that supposedly did not

78 Rostow 1985, p. 18.
79 Guess 1987, p. 37.
80 Latham 2000, p. 28; Packenham 1973, p. 57, 59.
serve the US interests was especially reprehensible. All this contributed to the negative image of the United States in the Third World.81

At the beginning of the 1960s, the support provided by the American public and the Congress for the existing foreign assistance programs had dwindled. Nevertheless thanks to Kennedy’s campaign declarations, it seemed that the United States was going to enter a new era of foreign policy. Several notable political scientists, such as economists W.W. Rostow and Max F. Millikan, joined the new administration and held important positions in it. These modernization theorists were closely involved in planning the aid and development policies.

Already in February 1961, Rostow, who was appointed the President’s Deputy Special Assistant for National Security Affairs, drew outlines for reshaping the foreign assistance policy in a memorandum for the President. From Rostow’s view, the assistance policy of the Eisenhower Administration had not put enough emphasis on long-term planning: its financing as well as its perspective were designed for the short-run, and its development component, which was small, was mainly guided with a project approach instead of directing it for developing whole nations. In addition, according to Rostow’s memorandum, the aid programs were desperately short of staff, both at home and in the field, who understood the economic development problems.

“The New Look” for foreign assistance suggested by Rostow contained an idea of a coordinated effort to develop those nations prepared to mobilize their own resources for development purposes. Rostow and his colleagues favored the concept of comprehensive country programming, which meant that, instead of individual projects, all assistance to a single country was going to be tailored according to its particular conditions and overall development needs. The goal was to help the developing countries learn how to grow, and this meant that aid would be ended when self-sustained growth was achieved. However, in the same memorandum, Rostow notes that the United States was not able to eliminate aid from places where it was buying what the US considered to be a “serious military advantage”.82

The new policies were first formally declared in President Kennedy’s Special Message to the Congress on Foreign Aid in March 22, 1961. Kennedy began his message by stating that the existing foreign aid programs and concepts were largely unsatisfactory for both the United States and the “underdeveloped world”, and that the economic collapse of the free but less-developed nations would be disastrous for the US national security. Kennedy drew a clear connection between the Cold War developments, the emergence of new, independent Third World nations and the need for more progressive aid policy, but also provided a declaration that echoed the spirit of Truman’s inaugural speech:

The fundamental task of our foreign aid program in the 1960s is not negatively to fight Communism: Its fundamental task is to make a historical demonstration that in the twentieth century…in the southern half of the globe as in the north—economic growth and political democracy can develop hand in hand…..The 1960s can be—and must be—the crucial “Decade of the Development”...[^1]

In his message, President Kennedy also emphasized the need for drastic changes in the administration and planning of foreign aid. Instead of a series of individual unrelated projects, this meant such things as unified administration and the operation of foreign aid programs, long-term planning and financing as well as country plans tailored to meet the needs and the resource potential of each individual country.[^2]

This declaration soon became reality. As a result of a legislative process started by President Kennedy, the Congress enacted the Foreign Assistance Act on September 4, 1961. This act reorganized aid programs and mandated the creation of an agency to administer the programs. Two months later, President Kennedy established the Agency for International Development (AID)[^3] that received the authority over all technical aid, lending programs and development projects. The functions of the ICA, Development Loan Fund and the Food for Peace program were finally brought under the management of one organization. After several institutional changes that had been carried out during the 1950s, the US foreign aid administration had finally achieved a unified structure that has lasted to the 21st century.

[^2]: Ibid., p. 206.
[^3]: In some sources the name of this agency is abbreviated USAID.
According to the new ideals, the bureaus of the AID were organized along geographic lines rather than purely functional lines, such as agriculture. In addition, the Kennedy Administration established other development agencies and programs. Already in March, 1961, President Kennedy had proposed a special development program for Latin America and, a few months later, the Alliance for Progress was established for this purpose. In addition to the Alliance for Progress and the AID, the year 1961 saw the birth of the Peace Corps, which probably became the most famous of the three. The purpose of the Peace Corps was to send American volunteers to Third World countries to work with governments, schools, non-profit organizations, non-government organizations and entrepreneurs in such areas of expertise as education, business, agriculture and the environment. In a way, it was a form of technical aid. In addition to the development function, one major goal of the Peace Corps was to improve the image of the United States and the Americans abroad. Kennedy considered it also as a tool of the Cold War: he considered it possible that the American volunteers could overcome the Soviet attempts to gain ground in the Third World. All in all, foreign aid had a large role in Kennedy’s diplomacy: even as crises loomed in Cuba, Congo and Vietnam, the Kennedy Administration continued to fund several development projects in Africa and Asia.\textsuperscript{86}

The Kennedy Presidency witnessed a drastic rise in the US economic aid. Total economic aid commitments increased from an annual average of 2.5 billion dollars between 1956 and 1960 to an average of more than 4 billion between 1961 and 1963. Furthermore, the economic aid principles were reassessed: a larger proportion of this aid was now used for purely developmental purposes, whereas a bigger share of the economic aid was directed towards immediate security purposes during the Eisenhower Presidency.\textsuperscript{87}

\textsuperscript{86} Giglio 1991, p. 156; Little 1988, p. 504; Packenham 1973, p. 61.
\textsuperscript{87} Packenham 1973, p. 60, 66.
4. The Eisenhower Years

4.1 Vexatious European Allies

Even though foreign aid can be considered to be a very bilateral issue between the donor and the recipient, the actions of other countries played a strong role when the issue of the US aid to North African nations was handled in the Eisenhower Administration.

In Libya’s case, it seems that Great Britain had a major impact on US-Libyan aid relations. This meant that the American aid to Libya was an issue that was discussed not only in Washington D.C. and Tripoli, but also in London. The clearest example of this close connection occurred in 1957: because of Libya’s almost absolute dependence on foreign aid, the United States had to review its own Libyan aid program when Great Britain decided to reduce its economic aid or other forms of aid.

Libya was considered relatively important to Western strategic interests, but from the American point of view it was considered that instead of the United States, Great Britain should have had the leading role in the country. This view had been established already during the Truman Administration: an NSC report dated August 4, 1949 called for such a Libya that was tied closely to Great Britain. In addition, Great Britain trained and equipped the Libyan army and maintained several military facilities in the country: in 1957, British troops in Libya numbered in 8,000 men. The strong ties between the two kingdoms were confirmed by a treaty of alliance and Libyan currency was tied to Pound sterling.

Still in 1960, three years after the British debacle at the Suez Crisis, President Eisenhower was being told that Great Britain had predominant strategic interest in North Africa and particularly in Libya. This was a fact that annoyed

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89 Memorandum by the Under Secretary of State (Webb) to the Executive Secretary of the National Security Council (Lay), April 30, 1951, Top Secret, FRUS 1951, Volume V 1982, p. 1318–1320; Letter from the Deputy Under Secretary of State for Political Affairs (Murphy) to the Assistant Secretary of Defence for International Security Affairs (Gray), January 8, 1957, Secret; Telegram From the Embassy in the United Kingdom to the Department of State, January 15, 1957, Secret, FRUS, 1955–1957, Volume XVIII 1989, p. 463–466.
him much because the United States was paying the predominant share of the cost, i.e. they were giving more aid, at the time.\textsuperscript{90}

However, for a long time the leading role of Great Britain had meant that it paid the lion share of aid received by Libya. In fact, Great Britain had been Libya’s primary source of aid for a long time during the 1950s. In addition, the British gave a large share of their economic aid to Libya as budget support, which what was important to the Libyans. This meant that Great Britain was providing funds directly to Libyans to cover their budget deficit, whereas the US aid was given through various development programs at the time.\textsuperscript{91}

This situation changed drastically during and after the Suez Crisis, when Great Britain saw its influence diminish rapidly all over the Middle East. At the same time, Great Britain was suffering from economic difficulties. This was a fact which with the post-Suez world political environment meant that Great Britain started to re-evaluate its commitments. This meant that Libya became marginal in comparison with Iraq and the Persian Gulf as Great Britain was planning to secure its interests in these areas. Therefore Great Britain was not ready to continue its aid on the previous level. The British Cabinet was apparently planning 75 per cent cuts in annual British aid to Libya at one point.\textsuperscript{92}

The Eisenhower Administration was quite alarmed by these plans and tried to persuade the British Government to continue its commitments to Libya on the old levels. Americans considered that the Western interests in Libya were actually much greater than those indicated by the British. In fact, the issue of Libyan aid was discussed in this context quite thoroughly between the United States and Great Britain before the Libyans were even informed about the matter.

Great Britain’s partial economic withdrawal from Libya became reality in April 1957, when Selwyn Lloyd, British Foreign Secretary, informed the Libyan ambassador about the British intentions. As suggested by the US Government, the British Government


had, at the time, agreed to consider the possibility to continue with the old subsidy level through the end of June 1958. In addition, Great Britain would consider the possibility to increase its contribution later if the circumstances should permit this.93

The American attempts to moderate the British in this matter reflect well the fact that the Eisenhower Administration was reluctant to put the United States in a leading position in the West-Libyan aid relations at the time. Even though they perceived Libya a strategically important area, the Administration was hesitant to assume any major British responsibilities in Libya in January 1957, and when the British Government announced their plans the United States was not ready to commit itself to cover the aid gap created by the British reduction.

The situation was difficult because both the British and the Americans were afraid that the reduction would drive Libya further away from the Western camp. At the time, it was estimated that the decrease would have deprived Libya 8 million dollars worth of aid in 1958. This would not have made Libya to collapse, but continuous cuts would have driven a developing country like Libya to a severe economic crisis or, what would have been even worse for the United States, driven the Libyan Government to ask for money from the Soviet Union. The issue was discussed thoroughly in an NSC meeting on May 2, 1957.

Despite the fear that the Libyan Government, which had been worried about the possible cuts in the British assistance for a long time, could have requested aid from the Soviet Union or Egypt, the meeting concluded that the United States should not increase its aid to Libya in order to substitute the cutback at the time. As Secretary of Defense Charles E. Wilson put it, the reasoning behind the decision was that the increases in the US aid for Libya would have made the Libyan Government to expect that the United States was ready to come to the rescue also if other sources of economic and other forms of assistance dried up. These false expectations would have simply caused ill will towards the Unites States when it did not meet them. Instead, a more cautious approach was chosen: the Department of State was simply supposed to tell the Libyans that the United States was not going to abandon Libya, and that the US Government was ready the new situation created by the impending British action review with the Libyan

Government and discuss their economic requirements. It was also important to the Americans that the Libyans would not consider the cuts as a cause of decline in the British-Libyan relations.94

Regardless of the earlier promises to the Americans, the British Government decided to implement the cutbacks already as of March 1958. During the fall of 1957, Dulles had tried to persuade Lloyd that the British reductions were too drastic and that they should reverse their decision. It is possible that the American pressure and reassurances had some impact, as Lloyd convinced his government to contribute aid to Libya one million pounds more than originally planned in the fiscal year 1958. However, there was a provision that the United States should assume responsibility for the development items in the Libyan budget. In other words, the United States would have had to reverse its previous policy decision not to cover the British reductions. As Dulles responded to Lloyd, the Eisenhower Administration was not ready to do this. However, during the negotiations with the Libyans in 1958, the British eventually agreed to give Libya 3.25 million pounds, which was only a million less than the original aid level. This was done without the United States making any kind of added official commitment. Nevertheless, the US economic assistance to Libya increased about 2.5 million dollars from previous year in 1958. Before the issue was brought to a satisfactory conclusion, it had caused a lot of concern within the Eisenhower Administration.95

This entire chain of events and the discussions included in it depict well the close connection between the United States and Great Britain. In connection with Libya, the two seems to have had almost a symbiotic relationship in connection with aid: what the first one did had an impact also on the other, and therefore either one’s actions could not have been disregarded. If the British Government had decided to reduce its aid to Libya, this would have had a direct link to US-Libyan relations and aid policy in the eyes of the American officials, as it meant that the Libyans would have asked for more funds from them.


In addition, the opposite action, i.e. the possibility that Libyans would increase pressure towards Americans because of a possible increase in the British contribution, caused concern among some of the officials of the Eisenhower Administration. In an NSC meeting on March 10, 1960, C. Douglas Dillon, who was the Under Secretary of State at the time, stated that any increase in the British assistance to Libya would make the Libyans feel that the United States, as the richest country in the World, should pay even more. This impression was based on the fact that the Libyans had asked considerable increases in some parts the US economic aid at the time.\textsuperscript{96}

The issue of “burden-sharing” remained under discussion between the United States and Great Britain well up until the end of the second Eisenhower Administration. For example, in May 1960, in a discussion with the Under Secretary of State C. Douglas Dillon, British officials stated that they were of the opinion that Great Britain was paying enough for the Libyans considering the strategic value of the country. At that time, any demands for increased aid would have lead to a critical review of strategic usefulness of the country, meaning that Great Britain would most likely have withdrawn their remaining troops from there, and thus weakened the Western role even further in the area.\textsuperscript{97}

In the Libyan case, the interests of the two allies were so intertwined that, even though British actions in 1957 and 1958 caused a lot of frustration among the American officials, they were eventually able to see eye to eye. The United States and Great Britain were often trying to strengthen their cooperation in connection with aid to Libya. On practical level, this meant that the two donor countries were often trying to coordinate and plan their actions, especially in the wake of the British aid reductions. According to the communication between the Department of State and the US embassy in Libya, one of the plans was to create a tripartite fact-finding committee to determine Libya’s economic needs in December 1957. Before this, neither the United States nor Great Britain would name any specific figures connected to the future financial aid to Libya. The aim was to show the Libyans a “solid Western front” and to give Lloyd time


to try to secure larger funds for Libyan aid, which was something he did rather successfully. 98

Libyans themselves were apparently annoyed by the way the Americans and the British they treated them, and also announced this to the US Ambassador John L. Tappin. Tappin had previously expressed doubts that the Libyans would consider a joint approach as an evidence of the Americans and the British making decisions among themselves about matters of vital interest to Libya, which was not a completely unfounded fear. In addition, Libyans opposed the plan because they most likely feared that they would end up being overwhelmed by the two donor countries in the proposed tripartite committee. 99 Nevertheless, the Libyan objections did not seem to have a major impact on the aid cooperation between the United States and Great Britain.

However, France formed a major issue in the context of the US economic and technical aid for Tunisia and Morocco. The old colonial master behaved in a very possessive manner towards them and wanted to maintain a dominant role in the region. Before Morocco and Tunisia gained their independence, all the aid directed to the area went through France. American aid extended for them at the time was still quite scarce, e.g. in the case of Tunisia it was about 100,000 US dollars annually, and comprised mostly of PL 480 program assistance. 100

The lack of American aid was at least partly due to French attitudes. According to an Operations Coordinating Board 101 report from June 1955, the French Government had not made any new requests for technical or development assistance for programs in Morocco and Tunisia since October 1954. The Board believed that they would not make any such requests in the near future, even though there was an evident need for

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101 The Operations Coordination Board was a committee of the United States Executive created in 1953 by President Eisenhower. It reported to the National Security Council and was responsible for integrating the implementation of national security policies across several agencies. The board's membership included the Under Secretary of State, the Deputy Secretary of Defence, the Director of the Foreign Operations Administration, the Director of Central Intelligence, and the President's Special Assistant for Psychological Warfare. It was abolished by President Kennedy in February 1961.
additional aid programs. Apparently, the French did not want any economic aid that was directed to North Africa to bear “an American label”. Evidently, the French were afraid that the Arabs would have thought that France was unable to provide for their economic development or even basic needs. In addition, the French were suspicious of the US intentions in connection to North Africa. The United States had to accept the fact that it had a very limited influence on the development of the so-called French North Africa at the time.\footnote{Operations Coordinating Board Report: United States Policy on French North Africa (Tunisia, Morocco, Algeria), June 1, 1955, Top Secret, FRUS, 1955–1957, Volume XVIII 1989, p. 88–94.} The independence of Morocco and Tunisia changed this situation completely, but France did not fall out of the picture. This was an issue to which the Americans had to pay constant attention in regards to their North African aid policy.

Before their independence, Tunisia and Morocco were receiving about 120 million dollars worth of French assistance annually, but in 1956, France had begun to limit its aid to the two countries. It had previously agreed to lend Morocco 75 million dollars for development purposes for the year 1956, but by January 1957, one-third of the amount was still held by the French Government. Similarly, by August 1957, Tunisia had not received all of the 43 million dollars promised to it by France for the previous year. The reason for this was a major rift in the Franco-Tunisian relations caused by differing views on the Algerian situation.\footnote{National Intelligence Estimate: The Outlook for Morocco, January 29, 1957, Secret; Memorandum from the Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Rountree) to the Secretary of State, August 28, 1957, Secret, FRUS, 1955–1957, Volume XVIII 1989, p. 276–279, 555–561.}

In several ways the problem resembled that posed by Great Britain in connection with Libya: the old primary donor was cutting its funding and the recipients were now turning to the United States. However, this issue was more of a case of bullying or extortion than a budgetary issue: France tried to pressure Morocco and Tunisia to stop supporting the Algerian freedom fighters.

After Morocco and Tunisia gained their independence, their protocols of agreements with France left the details of their interrelationship for subsequent negotiations. Because of this, in October 1956, President Eisenhower and the NSC were sure that France considered that it still had the right to intervene politically in the Moroccan and Tunisian affairs in order to protect the well-being of European residents as well as French investments and to maintain a close military relationship, which included French
military bases on the soil of the aforementioned nations. The fact that the currencies of both Morocco and Tunisia were tied to the French Franc meant that that the countries were also economically closely tied to France. Furthermore, a National Intelligence Estimate, which was drafted on January 29, 1957, predicted that France would delay the funds it had promised for Morocco for the year 1957 “in hopes of obtaining concessions regarding a defense agreement and preservation of its other interests”.\textsuperscript{104} France was undoubtedly ready to use similar tactics in the management of Tunisian affairs.

In the late 1950s, the restriction of economic aid was one of the main weapons that France was still able to use against Morocco and Tunisia when the two refused to comply. As the most important Western aid donor, the United States was caught in the middle of this struggle, which continued throughout the end of the Eisenhower Presidency. Still in November, 1959, the National Security Council believed that Morocco and Tunisia were going to continue pressuring the United States in order to get more aid from them as a result of the French action.\textsuperscript{105}

Thus, the French Government had created a very difficult situation for the Americans. After years of limiting the US aid for Morocco and Tunisia, the French suddenly created an enormous need for American aid in the area through their actions. Requests for additional aid that were originating from Rabat and Tunis were undoubtedly quite problematic for the Eisenhower Administration. The United States was not prepared to replace France as the primary donor. The US aid to Tunisia and Morocco was still relatively scarce. In August, 1957, the planned overall value of the American aid programs for that year was 20 million dollars for Morocco and eight million dollars for Tunisia. This was very scant compared to the economic aid France had been previously providing. When it comes to Morocco and Tunisia, the original aid policy of the United States had included only complementing and never substituting the French aid.\textsuperscript{106}


\textsuperscript{106} Memorandum of a Discussion at the 298th Meeting of the National Security Council, September 27, 1956, Top Secret; Memorandum of a Conversation, Department of State, June 14, 1957, Confidential; Memorandum from the Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Rountree) to the Secretary of State, August 28, 1957, Secret, FRUS, 1955–1957, Volume XVIII 1989, p. 130–137, 264–266, 276–279.
This problem was not handled as well as the problem between Great Britain and Libya. The main reason for this was the harsh attitude of the French Government. While Great Britain and the United States chose to solve the aid problem in cooperation in order to avoid the Soviet intrusion, France was more antagonistic towards this kind of solution. It apparently even considered the US involvement as interference in a matter that was primarily of French concern.

The French stance put the United States in a rather difficult position in regards to providing aid. The United States was not able to proceed in a unilateral manner and thus anger an important ally. On the other hand, American inactivity would have resulted in increasing poverty and anti-Western attitudes in North Africa. In this situation, the Eisenhower Administration chose a cautious approach, i.e. they decided to consult the French Government and seek cooperation. This was a policy that they retained to the end of Eisenhower’s second term as president. Nevertheless, the Eisenhower Administration also noticed, already in the beginning, that to be able to maintain the Western orientation in Morocco and Tunisia, it was also possible for them to be compelled to develop bilateral policies in an increasing manner in the area.107

In addition, the US policy included persuading France to keep its aid commitments and to attempt building better relations with Morocco and Tunisia. As the relations between France and the two North African nations deteriorated, the Eisenhower Administration became increasingly worried about the situation and the way it might affect the United States.108 The French economic pressure was also driving both Morocco and Tunisia to a worsening economic plight at the end of the 1950s, and thus increasing their dependence on foreign aid. This in turn increased the fear that, in their distress, the countries would turn to the Soviet Union or its allies for help.

Despite the fact that the relations between France and the two North African nations, i.e. Morocco and Tunisia, remained strained throughout late the 1950s and that France kept restricting its aid funding, the strategy of the consultations seems to have been successful from the American point of view. The French Government made no strong

objections as long as it was kept informed, although it sometimes posed conditions that were somewhat intrusive. For example, in July, 1956, Alain Savary, French Secretary of State for Moroccan and Tunisian Affairs, stated to C. Douglas Dillon, US Ambassador to France at the time, that the French Government had no objection to Tunisia and Morocco receiving aid from the United States, or other friendly countries as long as such aid was not granted until the economic negotiations, which France was conducting with the two countries at the time, had advanced further. In addition, the French considered it important that Moroccans and Tunisians would not receive any indication about the size of any possible aid programs from the Americans at the time.  

France and Great Britain appear to have been the only European allies that had any major relevance in the context of US economic or technical aid to Libya, Morocco or Tunisia. In this regard, there is an exceptional, although very brief, reference in the Statement of Policy on Tunisia, Morocco and Algeria that is included in an NSC report from November 4, 1959. In its Major Policy Guidance section, there is a short statement that the Eisenhower Administration should “urge other Free World countries to promote the economic development of Tunisia and Morocco” in the future. The NSC also supported the idea that the United States should promote closer cooperation between the European Common Market countries and the two North African nations. Apparently, it was considered that this association would eventually facilitate additional financial assistance from Western Europe to North Africa. Most likely, the idea behind this scheme was to stave off the Soviet economic incursion again: because the need for aid in Tunisia and Morocco was more than what the United States was able to provide alone, it had to turn to its allies in order to avoid the Soviet Bloc from gaining footing in North Africa through the offers of economic assistance.

4.2 The Role of Hostile Powers

In addition to Great Britain, only two countries appear to have had a major role in the US-Libyan aid deliberations: the Soviet Union and Egypt. Both of them were considered as threats that were supposed to be warded off with different forms of aid.

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The role of the Soviet Union, which was the primary Cold War enemy of the United States, became a relevant issue in discussions concerning the Libyan relations in September 1955, when Libya announced that it was going to exchange diplomatic representatives with the country. The Americans considered that this was a mean for the Soviet Union to start extending its influence westward across North Africa, and if nothing was done, Tunisia, Algeria and Morocco would eventually fall under Communist control and NATO would be outflanked. The fears were intensified when the Soviet Union made an official offer of economic aid and wheat assistance to Libya soon after the establishment of diplomatic relations.\footnote{Despatch from the Embassy in Libya to the Department of State, November 30, 1955, Secret; Telegram from the Embassy in Libya to the Department of State, January 19, 1956, Secret, \textit{FRUS, 1955–1957, Volume XVIII} 1989, p. 421–425, 428–430.}

In addition to the fear of increasing Soviet influence, the aid offer created another kind of problem for the Eisenhower Administration. Even before the first official Soviet offer, the US embassy in Tripoli and the Department of State started to fear that the Libyans were going to use the offer as leverage in order to get more funds and technical assistance. Ambassador Tappin expressed these fears in his message to the State Department by stating that:

\begin{quote}
…it seems obvious that Libyan policy makers understand the fact that the West, especially the United States, tends to pay more attention to areas where there is an immediate danger of Soviet penetration to areas where there is an immediate danger of Soviet penetration. Moreover, there is a wide-spread impression that one good way to obtain assistance from the United States is to flirt with the USSR.\footnote{Despatch from the Embassy in Libya to the Department of State, November 30, 1955, Secret, \textit{FRUS, 1955–1957, Volume XVIII} 1989, p. 421–425.} \end{quote}

These kinds of concerns are actually denoted more in the documents than the fears of any actual Soviet subversion. There were already previous attempts made by Libya to get more military aid from the United States by appealing to the Egyptian offers of Soviet arms. Thus, there was also a precedent on which to base the suspicions.\footnote{Letter from the Acting Secretary of Defence (Wilson), November 12, 1955, Secret, \textit{FRUS, 1955–1957, Volume XVIII} 1989, p. 419–421.}

The fears of ‘bargaining’ with the economic and technical aid soon became a reality. The Libyan Prime Minister Sayyid Mustafa Ben Halim told, on different occasions during the spring of 1956, the Americans that the Libyan people were very attracted by the Soviet aid offers and that some people considered that the Americans had not done
what they had promised to help Libya to improve its economic conditions. The Prime Minister also stated that, in this situation, it would be hard for him to explain the rejection of Soviet aid to the opposition.114

The attitude of Henry Cabot Lodge, the US Representative at the United Nations, was very pragmatic in this issue. It portrays well the way many American foreign policy makers saw the aid as a means to various political ends. In a memorandum to Dulles, Lodge compared the Libyan situation to the purchase of Virgin Islands from Denmark in 1917, as this was apparently completed in order to deny the Germans the use of the islands. According to Lodge, the United States was now supposed to make sure that the Soviet Union would not gain foothold in North Africa in a similar manner, using economic aid. In addition, he raised the question whether the United States should simply seek a treaty with Libya in exchange of additional economic aid, because this way the countries of the Communist Block would be excluded.115

According to the communication between the Department of State and the US Embassy in Libya, the Eisenhower Administration was not ready to simply give in to the bargaining at first. In a telegram from the Department to the Embassy dated January 19, 1956, Secretary Dulles informed the Ambassador that although the administration will, within limits, give Libyan needs due attention:

...US cannot place itself in position [of] endeavouring [to] compete with Soviet offers at every turn in road. For US respond as if by reflex action to such pressure would open us to endless blackmail; will eventually lose us real friendship, respect and influence; and is certainly not sound basis for US-Libyan cooperation.116

In a subsequent telegram in February Dulles confirmed this point, but also advised the Ambassador Tappin to proceed cautiously in the matter. The Administration did not want to alienate the Libyans, although no promise of increased aid was to be given.117

114 Telegram from the Embassy in Libya to the Department of State, February 7, 1956, Secret; Memorandum from the Representative at the United Nations (Lodge) to the Secretary of State, March 5, 1956, Top Secret, FRUS, 1955–1957, Volume XVIII 1989, p. 436–442.
115 Telegram from the Embassy in Libya to the Department of State, February 7, 1956, Secret; Memorandum from the Representative at the United Nations (Lodge) to the Secretary of State, March 5, 1956, Top Secret, FRUS, 1955–1957, Volume XVIII 1989, p. 436–442.
In spite of this early unrelenting attitude, the United States eventually conceded. In 1956, the ICA released a lump sum of five million dollars to the Libyan-American Reconstruction Commission, which had previously been set up to supervise the US economic assistance. This was as an exception to the usual procedure. According to a memorandum from William M. Rountree, the Deputy Assistant Secretary of State for Near Eastern, South Asian and African Affairs, to Christian Herter, who was Under Secretary of State at the time, this was done partly in order to “gain political advantage with the Libyan Government over the Soviet Union”. In addition, the United States granted Libya an additional 5,000 tons of relief wheat that was being prepared to ship to Libya before July 1956, and made a promise of making a lump sum of seven million dollars in economic aid available during the next fiscal year.\(^{118}\)

According to a subsequent memorandum drawn up by Under Secretary Herter, granting the additional American aid to Libya had proven to be a very sensible solution from a political standpoint. By April 1957, Libya had became increasingly pro US and pro Western, and at the same time, its relations with the Soviet Union and Egypt had deteriorated. In addition, Prime Minister Ben Halim had assured the Americans that the Libyans were going to severely limit the activities of the Soviet Union and its satellites. For example, the Soviet Union would not be allowed to open an information center or a cultural center in Libya, and the Libyan Government would not grant them any petroleum concessions or access to the Libyan air space.\(^{119}\) Even though there was no official treaty, which a possibility that Lodge had previously contemplated on the objective of keeping the Soviet Union away from the area was purchased with aid funds in practice.

From the American standpoint, the incident seems to have cast a shadow over the US-Libyan relations during the following years. A national Intelligence Estimate\(^{120}\) from June 1956 concerning the US interests in Libya as well as a National Security Council

\(^{118}\) Memorandum from John B. Hollister to Christian Herter, March 29 1957, Confidential, Eisenhower Library: Herter, Christian A.: Papers, 1957-61; Letter from the Under Secretary of State for Political affairs (Murphy) to the Ambassador to Libya (Tappin), March 13, 1956, Secret, \(FRUS, 1955–1957, \text{Volume XVIII} 1989, 442–444.\)


\(^{120}\) National Intelligence Estimates were high level interdepartmental reports presenting authoritative appraisals of vital foreign policy problems. They were circulated under the aegis of the CIA to the President, appropriate officers of cabinet level, and the National Security Council. The Department of State provided all political and some economic sections of National Intelligence Estimates.
report from a year later and a Central Intelligence Agency (CIA) memorandum compiled for the Director Allen W. Dulles from November 1958 state grave doubts about the Prime Minister Ben Halim or his successors using the same leverage tactics also in the future. These fears were strengthened by the British aid reductions. The CIA memorandum actually expresses a view that Ben Halim’s successor Abd al-Majid Kubar was starting a campaign to get more money from the United States at the time, and that it would most likely contain approaches towards the Soviet Union and Egypt.¹²¹

When it came to Morocco and Tunisia, the Soviet Union was not the same kind of a threat from the American point of view as in Libya’s case. The fear of a possible Soviet incursion in the two countries was almost completely ignored in comparison to the problems caused by France. Morocco did not allow the Soviet Union to establish an embassy in Rabat until September 1958, and it is possible that this was done partly in order to gain advantages in securing aid from the United States. The previous Libyan bargaining could have created a tempting example. The more pro-Western Tunisia waited until 1960 before it established official diplomatic relations with the leading power of the Communist Bloc.

Compared to Libya the threat caused by the Soviet Union seems to have been almost nonexistent in Morocco during the late 1950s. Still, in January 1957, a National Intelligence Estimate presented speculations that if the United States failed to meet the Moroccan aid expectations, the Moroccan leadership would probably turn to the Soviet Bloc eventually. After the exchange of Ambassadors between the Soviet Union and Morocco, the Soviet position in the country was apparently improved, and in 1960, Morocco even accepted military supplies from the Soviet Union: in November 1960, the Moroccan Royal Army received Soviet MiG fighters. In addition, the Soviet Government agreed to supply the new Moroccan air forces with Ilyushin bombers and other necessary equipment.¹²²


Despite this, the Soviet Union and the economic and technical aid seem to have been two separate issues in the US-Moroccan relations from the standpoint of the Eisenhower Administration. Unlike in Libya’s case, the Soviet Union comes up neither as a threat that should be fended off nor as a bargaining counterbalance in the context of aid negotiations in Morocco.

Even though Tunisia was seemingly the most pro-Western nation of the three, the idea of using the Soviet Union as a leverage for getting more economic or technical aid from the Americans was not lost to them. In February 1958, President Bourguiba lamented that pro-Western countries, such as Tunisia, had been ignored when it came to financial assistance and referred to the generous help provided by the Soviet Union to the non-aligned countries.\(^\text{123}\)

In addition, the Americans considered that Nasser’s Egypt, or later the UAR, was a significant threat to the governments of the North African nations, especially in the case of Libya. In a way, the perceived threat was closely tied to the Soviet threat, as the Soviet Union was conceived as UAR’s main supporter and affiliate in subversive action in North Africa: according to the previously mentioned CIA memorandum, the UAR and Soviet interests in Libya, as well as in other parts of “the Arab area”, had run parallel, and there seemed to have been more direct cooperation between the two in subversive and political activity in Libya than anywhere else. For example, the Soviets allegedly assisted the Egyptians in propaganda action, which had been very effective.\(^\text{124}\)

In the cases of Libya, Morocco and Tunisia, the problem caused by the UAR activities was naturally underscored by its close proximity. Due to this, it formed a considerably more tangible threat to the area’s stability than the distant Soviet Union, which was more of a bargaining counter. This was particularly true in the case of Libya as the UAR was located right next door. The politically weak and under populated nation could easily have been turned into Egypt’s satellite state. When the issue of aiding Libya was

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\(^\text{123}\) Sangmuah 1990, p. 82.

handled in an NSC meeting in 1957, President Eisenhower mentioned Libya’s proximity to Egypt as one of the main reasons for providing help to the country.  

Apparently, Nasser’s influence in Libya was considerable. In 1957, the Americans were told that Nasser was evidently more popular in Libya than the King or any of the Prime Ministers. In the same year, the Embassy reported to Washington D.C. that there was evidence of continuing Egyptian operations involving sabotage, espionage and paramilitary activities on Libyan soil.

The United States Government was particularly concerned over the Egyptian cultural influence in Libya. In 1957, there were numerous Egyptians working as teachers, administrators and even as judges in Libya due to chronic lack of competent Libyan public officials. Another major issue was Radio Cairo, which was Egyptian radio station that dominated the Libyan airwaves, and which therefore provided an easy way to spread anti-West propaganda in the country. In addition, Egyptian newspapers were in general circulation in Libya.

Threats similar to these could not have been warded off simply by handing aid funding to the Libyan Government. Instead, the Eisenhower Administration funded certain aid projects that were, supposed to expunge the role of Egyptians in the Libyan society and their impact in the public opinion.

A message sent by Special Ambassador James P. Richards illustrates this process well. Richards was a former chairman of the House Foreign Affairs Committee, who Eisenhower had appointed as Ambassador after the Congress had passed the Eisenhower Doctrine in March 1957. Richards’s mission was to tour the Middle East and gain support for the new doctrine as well as for USA’s newfound role in the region.

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During his visits, Richards also gave out additional economic aid to different countries in the amount of 120 million dollars.\textsuperscript{128}

In the message sent from the US embassy in Turkey to the Department of State on March 21, 1957, Richards mentions, including expense estimates, many possible technical aid projects and objectives of economic aid, such as the modernization of the Tripoli Power Plant, the construction of a telecommunication network and the reconstruction of the Benghazi port. In addition to these, Richards talks about certain projects that the United States was going to launch and which apparently held some special value in strengthening the position of the Libyan regime against the Egyptians, and thus indirectly, the Soviets.\textsuperscript{129}

The dominance of Radio Cairo was going to be curtailed by assisting the construction of two new radio broadcasting stations, one in Tripoli and one in Benghazi. With the use of these stations the Libyan Federal Government would be able to match the Egyptian propaganda machine. The impact of the station project was going to be enhanced by funding any necessary technical and programming training as well as the manufacture of cheap receivers for the Libyan public. Adding an American program advisor to the project was proposed by a subsequent Embassy report that concerned the proposed Internal Security Program for Libya.\textsuperscript{130}

Aid funds were also directed to reforming the field of educations in order to “accelerate the program for removal of Egyptian influence”. This obviously referred to the problem of Egyptian teachers and officials. An Operations Coordination Board report dated April 2, 1958, states that in order to achieve this, the United States had instituted several educational measures in Libya. These included a teacher replacement program, a construction program for teachers’ training colleges and an English language training program. In addition to this, according to Richards, part of this “anti-Egypt” aid was directed to a project that would enable pulling out 300 Libyan students from Egypt and

\begin{itemize}
  \item Polk 1975, p. 382–383.
\end{itemize}
sending them to study somewhere else. All in all, Richards promised four million dollars of aid for the broadcasting and education programs in 1957.131

The aid programs that were launched in Libya as a result of Richards’s mission reveal very well the political pragmatism that the United States seems to have added to some of its economic and technical assistance in North Africa. In the cases of Morocco and Tunisia, this kind practice is not as highlighted, but it was most likely because the Libya’s strategic position was considered to be much more volatile, and therefore, something that required more contributions.

The manner in which the United States, based on Richards’s recommendations, chose to support certain development projects and discarded others tells a great deal about the US primary motives of aid policy. The projects and programs that had a detrimental impact on the Egyptian position in Libya had no problem being approved. On the other hand, the projects that would have been extremely valuable to the improvement of the Libyan economic infrastructure, such as the Tripoli power plant project, the construction of a modern telecommunication network and the aforementioned Benghazi port development, were disregarded. Although Richards justified the rejection of these projects based on financial arguments, it seems clear that the short-term political goals were more important than the long-term economic ones. Almost all of the additional aid funds that Richards was willing to direct to Libya can be considered to be dispensed based on these precepts. Out of the total of 4.5 million dollars that Richards offered, only two hundred thousand were allocated for a non-political infrastructural project: material for the municipal water system. Eventually, Richards’s mission commitments were increased to 6.7 million dollars, but even this did not include the port development or even the telecommunications project in the original extent. The United States did not provide any major funding for the Tripoli power plant until the next year when it committed to give Libya 5 million dollars for the project. Even then, the money was given in a form of a loan.132

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Despite the US contributions, the problem of the Egyptian officials in Libya was not resolved very quickly, and it came up in meetings from time to time. The issue was still topical in an NSC meeting in December 1958. Even later on, in March 1959 when British Prime Minister Harold Macmillan and Foreign Secretary Lloyd were visiting Washington, the subject of Egyptian teachers in Libya was briefly raised in the conversations concerning the Middle East.\textsuperscript{133}

In the cases of Morocco and Tunisia, the Eisenhower Administration did not have to fear the influence of a stronger, anti-Western neighbor that much. After Ambassador Richards had visited Morocco and Tunisia during his tour, he did not even mention Egypt in his rather long reports to the Department of State. What undoubtedly improved the American confidence in Tunisia was the fact that the relations between Nasser and Bourguiba were particularly strained.\textsuperscript{134}

### 4.3 Interwoven Issues: Military Bases and Aid

In addition to the involvement of friendly and hostile foreign powers, it seems that the immediate Cold War military objectives were important in the US aid policy in connection with the North African nations. In a way, it seems that these were often the primary objective. The issue was closely tied to warding off the Soviet and Egyptian influence, as the existence of these bases, for their part, accentuated the need to protect the North African nations in question from the hostile foreign subversion. This was particularly true in Libya’s case. Since the beginning of Libya’s independence the issue of the Wheelus Air Base and the affiliated economic aid dominated both the US-Libyan relations and the Eisenhower Administrations’ aid considerations.

The Wheelus Air Base had become one of the most strategically important US military bases abroad. The base was originally built by the Italian army and captured by the British in 1943. The same year, the US Army Air Force began to use it as a bomber base. By the late 1950s, Wheelus had thousands of Americans living and working on


the base area that was located on the Mediterranean coast east of Tripoli. The document sources very clearly reveal the importance of the base to the United States during the 1950s: in the event of a war, Wheelus was supposed to function as a tanker refueling as well as a bomber and a recon-fighter base for the Strategic Air Command (SAC), which was responsible of the US strategic nuclear arsenal. In addition, Wheelus was considered crucial for the defense of the whole Mediterranean region and accessing the Middle and Far East by the Military Air Transport Service. It also served as an important training area. All this meant that Wheelus was in an extremely active use: according to contemporary official interdepartmental correspondence in 1959, the base averaged about one landing or take-off every minute during daylight hours. Even at the beginning of the 1960s, losing the base was an unacceptable scenario for President Eisenhower. Later on, the strategic value of the base was diminished when the development of military technology, and particularly the development of nuclear missiles, replaced bombers.

The connection between economic or technical aid and the rights to maintain a military base in a particular country easily comes across as an imperialistic phenomenon in which a strong superpower pressures a poor and weak developing country to allow the presence of foreign military forces on its soil using economic incentives. However, in the light of the source material, the reality appears to have been somewhat different in this case.

When The United States and Libya started the negotiations regarding the base rights soon after the Libyan independence, the issue of the US economic assistance was right in the centre of the discussions. In the beginning, the Americans were reluctant to make an agreement that would have given the Libyans any economic compensation in form of aid in return for the base rights. From the Department of State point of view, this would have established a dangerous precedent that could have had an impact on the US base rights everywhere in the world. What remained an important subject of debate within the US government for a long time was how to best keep the issue of base rights and the

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provision of economic aid to Libya as two separate issues. However, any attempts to maintain the distinction were futile.

The first base negotiations began in August 1951, and the treaty was signed in December 24 the same year. The amount of the US economic aid had been an important issue in the negotiations. Originally, the Truman Administration was ready to give Libya one million dollars annually for twenty years from the Department of Defense budget in addition to the economic and technical aid that was going to be provided under the Mutual Security Act by the Department of State. However, already in September 1952, the Libyan Government informed US Minister to Libya Henry Villard that Libya wanted more funds, and that because of this, the base treaty had to be renegotiated. This second series of negotiations continued throughout the last year of the Truman Presidency and was eventually inherited by the Eisenhower Administration.

On July 20, 1954, Dulles informed the US Legation in Libya that the base negotiations with the new Libyan Prime Minister Mustafa Ben Halim had been successfully concluded on the current day. The Eisenhower Administration had eventually made rather extensive promises regarding the aid in order to maintain the Wheelus Air Base: First, the United States would provide Libya 4 million dollars of additional economic aid annually from the US Air Forces budget until 1960, after which the sum was going to be changed back to one million. Secondly, the Eisenhower Administration pledged to give Libya 3 million dollars of Mutual Security Program funds during fiscal year 1955. The promised aid was not limited to dollars, as Libya was also promised a provision of up to 24 thousand additional tons of grain. According to Dulles, the Eisenhower Administration was also obliged to assure to have a sympathetic attention to Libya’s future economic needs. Although this assurance itself did not really tie the United States to a certain level of economic or technical aid in the future, the presence of the Wheelus Air Base in Libya itself assured that the Americans had to carefully listen to the Libyan officials when they requested increased aid funding.

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Although the actual annual expenditure of 4 million dollars was paid by the United States Air Force, the Eisenhower Administration did not simply consider it as a rent but, an economic aid coming from a different source. However, the dualistic attitude of many members within the administration towards this part of the economic aid is revealed in many documents. What probably illustrates this attitude the best is how the expenditure was referred to. Although reference to economic assistance or aid seems to be the most common reference in the contemporary official documents dealing with the issue, referring to these disbursements in some other terms that have quite a different meaning is not rare. The Air Force expenditure was sometimes called “special purpose payment”, “annual payment” or simply “rent”, and sometimes it even had quotation marks in the original text. Occasionally, it was even referred to as “quid pro quo” indicating a more-or-less equal exchange or substitution of goods or services. All this indicates that although the economic or technical assistance was officially supposed to be gratuitous support for a friendly nation, many US officials considered it as a payment for tangible military assets.

The ‘rental’ nature of the aid programs is even further substantiated in several meeting memorandums. Using aid as a form of informal rent was an arrangement that did not always get the support of everyone in the Eisenhower Administration. In March 1957, the National Security Council discussed the possibility to start paying real rent for the military bases in countries with which the United States did not have a collective security relationship. This meant that the United States and the countries in question were not members of the same military alliance or did not have a mutual defense treaty. Morocco, Libya and Saudi Arabia are mentioned as examples in the memorandum of this discussion. It seems that there was strong support to the undertaking to pay rent for the base rights instead of providing aid funds through mutual assistance program on the top levels of the Eisenhower Administration at the time. Secretary of Defense Charles E. Wilson apparently thought that this would cost less to the United States, and Secretary Dulles stated that:

…the payment of rent was the lesser of the evils. If we did not shift to a rental basis we would never be able to get off the wicket of grant aid and onto the basis of loans.

In addition, the President stated that he was “fed up with the situation now facing us”.139

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The discussions about the base rights and affiliated aid flared up again in September 1958, when the Libyan Foreign Minister Wahbi al-Buri brought up the question of annual payments during his official visit to the Department of State in Washington D.C. The Libyans opposed the decrease of the payments to one million dollars after 1960, and even suggested that the payment would actually be increased above the original 4 million dollars for the fiscal year 1959, and kept on the same level through the duration of the Base Rights Agreement. The request of revision was soon made public in a speech by King Idris in connection with the opening of the Libyan Parliament.\(^\text{140}\)

The negotiations continued until the spring of 1960. According to a memorandum of discussions of an NSC meeting held on March 10, 1960, the Eisenhower Administration had originally been ready to increase the Mutual Security Program grant assistance to compensate the decrease of the Air Force funds, but the Libyans had asked for an annual payment of 45 million dollars of economic aid, which, according to the memorandum, would have meant an increase of about 150 per cent. In addition, a subsequent National Security Council report states that the Libyans wanted a greater control over the administration of any additional US aid programs.\(^\text{141}\)

Although the Eisenhower Administration was not completely ready to yield to the Libyan pressure, it eventually assented to pay a higher annual payment from the Air Force funds. According to a letter from Douglas Dillon to the Secretary of Defense Neil McElroy dated May 22, 1959, the United States had offered the Libyans greater flexibility in the use of the funds obligated for that fiscal year already at the time. In addition, the US was ready to permit the Libyans the unrestricted use of the economic aid paid from the Air Force funds during the following year. Over a year later, on June 30, 1960, J. Wesley Jones, the contemporary US Ambassador to Libya, and Libyan Prime Minister Abd al-Majid Kubar signed letters amending the economic assistance


agreement. The United States agreed to give Libya 10 million dollars a year from 1960 to 1964.\textsuperscript{142}

In the light of these events and documents it seems that the reality was that Libya was in a rather strong position in regards to the United States and its military aspirations. The larger Cold War dynamics had a profound impact on the regional and country-specific US aid policies. Although Libya did not have a reliable source of export income prior to the fully operational oil production, it actually held one very valuable trump card that it was able to exploit: its strategic location. With it, Libya was able to compel the United States to ‘pay rent’ in the form of economic and technical aid. The Eisenhower Administration had to comply and allocate funding to Libya in order to maintain control of a valuable military base and prevent the Soviet Union gaining a similar foothold in North Africa. Thus, the dynamics of the relationship were somewhat reversed compared to the usual perception of the relationship between a Super Power and a developing nation, in which the stronger one is usually able to easily dictate the terms of different forms of intercommunication. The aid aspect was in key position when it came to the relationship between the United States and Libya.

According to various memorandums, the decision to amend the Libyan economic assistance agreement was preceded by many discussions and exchanges of opinions about the US aid to Libya and the role of the United States in the country. These discussions culminated in the aforementioned NSC meeting on March 10, 1960. In the meeting, Under Secretary of State C. Douglas Dillon, one of the leading officials in the Department of State at the time, expressed the idea that the United States was going to be doing very little in Libya without the Wheelus Air Base and that if the base was relinquished the United States would not need to provide that much assistance to Libya.\textsuperscript{143} Dillon’s opinion about the assistance was also expressed in a memorandum on the Discussion at the meeting between the Department of State and the Joint Chiefs of Staff that was held in the following April. In the meeting, Under Secretary of State Livingston T. Merchant had also particularized this view by noting that:


We now have an economic aid program of about 20–25 million to Libya and, if we were out of Wheelus, we could drop it down to a couple of million.\textsuperscript{144}

It seems that the withdrawal from Libya was simply a theoretical idea, as it contained several problems in reality. Regardless of the fact that the Wheelus Air Base had apparently lost some of its importance in connection with the employment of wartime strategic strikes by the year 1960, it was still an important training base. President Eisenhower also feared that if the United States was to relinquish Wheelus, the control of the base would be taken by some other power, in the worst case scenario the Soviet Union. At the end of the memorandum of the discussions of an NSC meeting held on March 10, 1960, President Eisenhower therefore declares that even if the United States was going to abandon the base, the Eisenhower Administration could not “abandon” Libya in regards to aid, as Dillon and some other officials had suggested.\textsuperscript{145}

This seems to confirm the fact that the United States was ‘tied’ to Libya aid-wise not only because of the Wheelus Air Base, but also because of general strategic interests.

In the same NSC memorandum, Eisenhower amalgamates the concepts of economic aid and payment again, as he states that the administration “wants to pay as little as possible for Wheelus” even though the United States was not officially ready to admit that there was any connection between the military bases and economic aid. In the negotiations with Libya about the amendment of the economic assistance agreement, the United States explicitly avoided to acknowledge that the payments from the Air Force funds were a compensation for the use of the bases.\textsuperscript{146}

The attitudes towards the ‘rent’ issue in connection with Libya seem to have changed during the years of the second Eisenhower Administration. An argument related to the drafting of the statement of US policy toward Libya in 1960 depicts this fact well. According to a memorandum from Deputy Executive Officer Ridgway B. Knight to Karl G. Harr, Special Assistant to the President, and a briefing note for the Planning Board Meeting, the officials of the Department of Treasury and the Bureau of the Budget argued, during the drafting phase, that the United States should not provide any


\textsuperscript{146} Ibid.
economic assistance to Libya for development purposes if the United States was going to abandon the bases. According to them, the military facilities should be the sole basis for any US financial contribution and this contribution should be in the form of a rent and therefore come from the Defense budget rather than the mutual assistance funds.\textsuperscript{147}

Consequently, according to this thinking, the economic aid had been substituting an actual rent. This was a state of affairs that the officials of the Department of Treasury and the Bureau of the Budget wanted to mend. However, the idea of real rent did not get support from the others, e.g. the officials of the Department of State and the Department of Defense, which was directly benefiting from the fact that the Libyans received reimbursements for the base rights were from the aid funds and not from its budget. Due to this opposition, the idea was not actualized at the time, and the President approved the statement as a part of an NSC report in March 15, 1960, without any mentions about changing to rent system when it came to Wheelus.

In addition, the final NSC report in question very clearly confirms the self-serving motives behind the US aid policy in regards to Libya. The report states the objectives of the Libyan aid policy, i.e. what the United States was expecting to get in return for the aid. The first objective mentioned is the “continued availability and use of those US and allied military facilities in Libya important to US security”. Thus, the military aspect was essential while the other main objective was to assure “a stable central government in Libya able and willing to permit Western access to Libyan oil resources, to minimize Communist and other anti-Western influence in Libya and to cooperate generally with the United States and its allies”. The differences between these and the objectives presented in a similar report that was written three years earlier were almost nonexistent. The only new element in the objectives was oil.\textsuperscript{148}

Apparantly, the presence of the Wheelus Air Base in Libya had an impact not only on the amount of aid the United States provided, but also on how it was directed to some extent. According to a memorandum from Acting Executive Officer Roy M. Melbourne to James S. Lay, who was the Executive Secretary of the NSC, the ICA and the


Department of State were trying to arrange a grant equivalent to 1.2 million dollars to the Libyan Government in December 1958. This grant was to be used for the construction of an access road between the Wheelus Air Base and Tripoli. When finished, this road would have improved the maintenance of the base. This meant that the United States was using economic aid as way to direct the construction of the Libyan infrastructure in a way that best suited its military interests.

In Morocco’s case, the circumstances were somewhat different. The five bases that the United States had in the country were used by the Navy, the Air Force and the SAC. Morocco was of a particular importance for the US Navy. In Port Lyautey, which is currently known as Kenitra, the United States Navy had a communications facility that was the primary link in the world-wide naval communications system. The US Air Force had a supply depot in Nouasseur, which was located near Casablanca, and three SAC bases in Ben Guerir, Sidi Slimane and Boulhaut. In addition, the official American broadcasting service, i.e. Voice of America (VOA), which was responsible for transmitting anticommunist propaganda, news and American cultural shows to international audiences, had a relay base at Tangier.

The original base rights treaties related to the bases in Morocco were negotiated with France in 1950. At the time, the Moroccans were not informed about these, which became a problem when Morocco gained its independence. In 1956, the Moroccan Government informed the Eisenhower Administration that it wanted to negotiate the future of the bases and wished to obtain extensive financial assistance in return for these bases. By that time, the United States had already heavily invested in the base facilities.

The strong public opposition to the US military bases formed a major problem for the United States in Morocco, although King Mohamed and the Moroccan Government were very West-oriented. Many Moroccans thought that gaining full sovereignty for

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150 Memorandum from the Acting Assistant Secretary of State for European Affairs (Elbrick) to the Secretary of State, May 31, 1956, Confidential; Memorandum from the Legal Adviser of the Department of State (Phleger) to the Secretary of State, June 6, 1956, Confidential, FRUS, 1955–1957, Volume XVIII 1989, p. 531–534.
their country meant that all foreign military forces, French, Spanish and American, had to withdraw.

This public sentiment was something that the Moroccan Government could not ignore, and it prevented them from establishing a situation similar to what existed in Libya. The discussions about the fate of the bases continued until 1959, when Pentagon, having lost all patience with the endless negotiations, announced that it would evacuate the air bases. In December 1959, an agreement was reached. According to it, the United States was going to withdraw from its bases in Morocco prior to December 31, 1963, with the possible exception of certain communications facilities in Kenitra, which were the most important communications facilities of the US Navy in the European - African area. 151

The documents of the both Eisenhower Administrations about the negotiations with the Moroccan Government prior to the decision to withdraw construct again a view of a strong connection between the right to maintain military bases and the various forms of US aid. At the same time, they reinforce the view that the United States was ready to use its foreign aid rather extensively to support its strategic and military aspirations in North Africa during the 1950s.

The negotiations began properly in the early months of 1957. Officially, the issue of economic and technical aid was handled in separate bilateral negotiations, as the official NSC-approved policy was that the US officials had to avoid treating aid as a direct compensation for base rights. 152 However, in practice, it was clear to both parties from the start that the two issues were completely intertwined. The NSC had discussed about the combined issues in September 1956 after the Moroccan request for negotiations. According to the memorandum of the discussions, Secretary Dulles had, at the time, expressed a view that:

…it had never been the practice of the Administration to tie the maintenance of U.S. bases to any particular amount of economic assistance. In point in fact, this was something of a fiction but nevertheless a fiction that was important to maintain. 153

152 Memorandum from the Assistant Secretary of State from Near Eastern, South Asian, and African Affairs (Rountree) to the Secretary of State, March 31, 1957, Secret, FRUS, 1955–1957, Volume XVIII 1989, p. 564–567.
This double standard was expressed again by Dulles in a joint message by the Department of State and the Department of Defense sent to the US Embassy in Morocco in April 1957. According to the instructions to the embassy:

…we should continue [to] be guided by [the] view [that] assistance [is] not regarded as payment for base rights… Nevertheless we should again make clear as necessary [that] our ability [to] develop and carry out economic assistance programs will inevitably bear relation to Moroccan attitude toward our strategic interests [in] Morocco. US economic aid plans which go beyond commitments already made should therefore be coordinated with [the] progress [of] base talks.\textsuperscript{154}

According to these documents, it seems that the Eisenhower administration had clearly accepted the fact that there was an unbroken interconnection between aid and the bases, but also that this tie should not be officially acknowledged. There was most likely a fear that any public affirmation of that certain countries, such as Morocco and Libya, were able to extract additional aid by pressuring the United States with base right issues would inspirit other developing countries to do the same. In the best case, this could have forced the United States to increase its foreign aid budget; in the worst case it could have threatened the entire system of the military bases the United States had built around the world.

Even though the Eisenhower Administration was very much annoyed by the way the governments of Libya and Morocco were using the military bases as leverage in regards to economic and technical aid, the Moroccan example also illustrates that the Administration was reciprocally ready to use pressure tactics during the negotiations. Apparently, the American officials had, already in November 1956, hinted to the representatives of the Moroccan Government that:

…our (US) ability to implement aid programs would necessarily bear some relation to the continuing favourable attitude of the Moroccan government toward US strategic and other interests in Morocco.\textsuperscript{155}

This could have never been done without at least a silent acceptance of the Eisenhower Administration.

Because the Moroccan negotiations never reached an actual solution concerning the more permanent presence of the US bases on the Moroccan soil, there never was made


\textsuperscript{155} Memorandum from the Assistant Secretary of State from Near Eastern, South Asian, and African Affairs (Rountree) to the Secretary of State, March 31, 1957, Secret, \textit{FRUS, 1955–1957, Volume XVIII} 1989, p. 564–567.
an agreement on how much the United States was going to pay annually in return for the base rights. Furthermore, the documents do not reveal any American speculations or estimates on the figure in question.

However, the desire to maintain the bases in question was so strong in the Eisenhower Administration for such a long time period that the United States was ready to try to persuade the Moroccan Government to this with a substantial increase of economic aid during the negotiations. Late in the year 1957, there were apparently talks within the Eisenhower Administration about allocating an additional 10 million dollars for Morocco as economic aid. In December 13, 1957, the Director of the ICA, J. H. Smith Jr., sent a memorandum for Douglas Dillon stating the idea of increasing the amount of the so-called defense support funds\footnote{The Defense Support Funds were aid funds that were directed to support the military efforts of the recipient countries. With these funds, a recipient country was supposed to improve its economy so that it was able to support a defense program of the size, which the United States considered essential. The official primary policy reason for the defense support was the attainment of military objectives rather than the extension of any economic benefits that may also have accrued to the recipient nation. Sometimes other non-military assistance was grouped under the heading of “defense support”, which makes its distinct definition as either military or non-military aid almost impossible (Note from the Acting Executive Secretary of the National Security Council to Members of the Council: Status of National Security Programs on June 30, 1955, August 31, 1955, Top Secret, \textit{FRUS, 1955–1957, Volume X 1989}, p. 15–25).} to Morocco from 20 million to 30 million dollars. A subsequent memorandum from Dillon back to Smith confirms this as Dillon expresses his support for the plan.\footnote{Memorandum for Douglas Dillon from J. H. Smith, December 13, 1957, Secret, Eisenhower Library: Smith, James H., Jr.; Papers. 1932 * 1980, International Cooperation Administration Series, 1957-1959; Memorandum from the Deputy Under Secretary of State for Economic affairs (Dillon) to the Director of the International Cooperation Administration (Smith), December 24, 1957, Secret, \textit{FRUS, 1955–1957, Volume XVIII} 1989, p. 601–602.}

Two memorandums from 1958 describe further how the Eisenhower Administration was ready to make certain concessions when it came to the aid for Morocco. A secret State Department memorandum regarding the status of the Moroccan base negotiations from August 1958 reveals that, at the time, US Ambassador to Morocco Charles W. Yost was authorized to offer the Moroccans 10 million dollars out of the 40 million dollars that was allocated as the economic aid for the fiscal year 1959 as “a straight cash grant without the usual controls”. This meant that the Eisenhower Administration was willing to give the Moroccans more say in the use of the US economic aid. Furthermore, a memorandum dated November 21, 1958 reveals how a meeting between the Department of State and the Joint Chiefs of Staff held in Pentagon discussed the plan to
provide Morocco with 10 million dollars of economic aid in addition to the already confirmed aid “as an incentive to a more cooperative Moroccan attitude”, or in other words, to help the base negotiations to continue and reach a solution that was suitable for the United States.\textsuperscript{158}

\textbf{4.4 Buying Stability}

In the examined documents, any mentions on the actual content, progress or the results of the aid programs are very rare. Usually, these are mentioned only in official context and in the reports on the discussions with the representatives of the recipient countries, e.g. a report regarding the meeting of Vice President Nixon and King Mohamed of Morocco on March 2, 1957 during Nixon’s tour of Africa. According to the memorandum, Vice President Nixon raised the issue of the economic aid and stated that the Eisenhower Administration was interested in “the welfare and progress of Morocco”. The interest that was expressed was not altruistic, as Nixon brought up the practical relationship between a sound economic situation in Morocco and US military position immediately after expressing the aforementioned interest.\textsuperscript{159}

This document segment well reveals how the issue of development was connected to other issues, even though it was exceptional in the sense that a member of the Eisenhower Administration was openly discussing this connection with an outsider in it. It seems that the development and improvement of living conditions in the target countries was important due to the importance of internal stability in these countries. This, in turn, was important because it assured that friendly governments remained in power. This ensured the fact that the United States was able to maintain its military bases, although this was only partly completed in Morocco, and that new governments that could have been favoring the Communist Bloc did not rise to power.

An NSC report from June 1957 illustrates well the perceived connection between aid, political stability and the US interests. A Major Policy Guidance section at the end of


the report lists the objectives of the US economic and technical assistance programs in Libya. They were: 1) maintaining a reasonable degree of economic stability, 2) contributing toward economic development, 3) assisting in Libyan efforts to improve levels of technical competence in government and various other fields to facilitate the most effective use of Libya’s human and natural resources, 4) facilitating, particularly through private enterprise, the exploration and exploitation of additional Libyan natural resources to lessen the extent of dependence on foreign subsidies, and 5) contributing toward political unity. Again, these development objectives do not appear to be important on their own, as the same policy guidance section states that providing reasonable assurance of the retention of the US military facilities and assuring the political cooperation of the Libyan government are the overall goals of all US assistance to Libya.  

US Ambassador in Libya, John L. Tappin, was particularly vocal in the issue of political stability and aid in his messages to the Department of State. The connection between aid and political stability is very well expressed in a letter from Tappin to George V. Allen, the Assistant Secretary of State for near Eastern, South Asian and African Affairs dated March 11, 1955. In this letter, Ambassador Tappin evaluated the political conditions in Libya and saw no imminent threats to the Sanussi monarchy and the Libyan government. According to him, there was no sizeable national Communist Party in the country, and it was possible for the United States to assure that one could never gain strength with economic aid technical aid:

> Although the economic basis for an organized Communist movement is present in the extreme poverty and backwardness of the mass of the people, continued US-UK economic assistance and support of development projects can prevent its exploitation.  

Thus, in the eyes of American officials, the US aid fought off the threat of international communism not only by fending off the Soviet economic incursions, but also by assuring that domestic communists did not gain a political foothold. According to a

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National Security Council report from June 1957, there still was not a known communist organization in Libya two years later.\textsuperscript{162}

As Libya was almost completely dependent on foreign aid throughout the 1950s, the amount of foreign aid it received had also become a key political question in the country, and sometimes it threatened to destabilize the Libyan governments. In March 1957, Ambassador Tappin conveyed to Washington D.C. the disappointment of the Libyan Prime Minister Mustafa Ben Halim to the amount of aid promised to it by the Eisenhower Administration after the visit by Special Ambassador Richards. In addition, Tappin accentuated the fact that it was very important for the Libyan Government that the United States increased the aid funding that was directed to Libya, as the Libyan Government had given its strong support to the Eisenhower Doctrine:

[According to] Prime Minister’s view, [the] magnitude [of] aid offered presents [a] highly explosive political issue, he [is] convinced, and I agree [that] his government, which [is] firmly and publicly committed [to] pro-US policy, will be accused of selling out for pittance… Obviously, absolutely fatal blow would be offer aid of any magnitude to any country not supporting Eisenhower Doctrine…\textsuperscript{163}

The concerns conveyed by Tappin may simply have included exaggeration from behalf of Ben Halim in order to convince the US officials to increase aid funding. Nevertheless, it was apparent that the Eisenhower Administration was not able to ignore the problem, and thus it eventually increased Richards’s aid package to Libya by a few million dollars. This reinforces the view that it was more important to use aid as a tool to secure the continuance of a friendly government instead of using it as an actual means of social improvement.

For the United States, the primary interest in regards to various Libyan administrations was that they supported the United States and its allies, even though Libya never officially joined any of the US-led alliances. The Eisenhower Administration was ready to overlook many grievances as long as the highest-ranking Libyan officials gave official support for the US actions and its presence. For example, the administration led by Mustafa Ben Halim was able to increase considerably Libya’s share of the US foreign aid and assure the US cooperation during his time in office from 1954 to 1957.


even though some American officials had a negative view about him and his actions. Late in 1955, the Libyan Government led by Ben Halim had established diplomatic relations with the Soviet Union. This caused concern and distrust towards him among the ranks of the Eisenhower Administration. Furthermore, on February 7, 1956, Ambassador Tappin sent a telegram to the Department of State, in which he provided his evaluation of Prime Minister Ben Halim. In Tappin’s eyes, Ben Halim seems to have been an opportunist, who was simply using the Soviet Union and possibly also the threat of the internal opposition as bargaining devices in the US-Libyan aid relations. Yet, Tappin considered Ben Halim an acceptable Prime Minister from the US point of view. Tappin summarized his dual attitude by stating that:

> It is my personal evaluation that we are dealing in Ben Halim with something close to a “split personality”, dangerously intelligent, opportunistic, young, shrewd and ambitious both for political power and personal gain… Yet when he states his conviction that Libyan long-range future should be tied to the west, particularly to US, and begs as “champion of US position in Libya”, with considerable justification, for augmented dollar assistance as measure of “sympathetic consideration” for essential Libyan economic developmental needs, he is most persuasive.\(^{164}\)

Ben Halim may have not been an ideal prime minister from the American point of view but, in the end, he was tolerable.

For Libya, the discovery of oil in 1956 marked a new major asset in developing its weak economy. However, this new economic advantage did not mean that the US economic and technical aid would have quickly dried out in the last years of the Eisenhower Administration. As has been established, the US aid continued to rise despite the fact that the oil findings promised a prosperous future for Libya. In addition, major oil companies, American companies in particular, were making large investments in the country: in 1957, the spending by foreign oil companies in Libya amounted to 43.4 million dollars, which was only about 4.3 million less than the whole Libyan public expenditures during the same fiscal year. In 1954, the value of private investments in Libya had only been about 3 million dollars, but five years later the same figure was more than 100 million dollars as a result of the petroleum discoveries. In addition to this, international oil companies employed many Libyans for their exploration operations. This had also a negative impact, as the companies drew off the most active

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workers from the agriculture sector. In spite of these investments, the actual oil revenues did not really began to pour in for the Libyan Government until the early 1960s: from 1961 to 1963, the Oil Revenues of Libyan Government increased from 3 million to 108 million dollars.

Although access to Libyan oil resources was important to the United States and its European allies, this has never been mentioned as a key policy objective in regards to the economic or technical aid in the examined documents. The US aid to Libya kept increasing during the last years of the Eisenhower Administration, when the presence of oil and the resulting future prosperity for Libya was known. This can easily be considered an indication that the United States was trying to ‘buy’ Libyan oil for the West, but it does not seem to be true as the US aid to Libya was already high due to strategic and military factors. Instead, the documents show some other references to how the developing Libyan oil industry was going to affect the US interests and its aid policy.

During the last years of the 1950s, several Libyan-related discussions inside the Eisenhower Administration dealt with the issue of how Libyan oil incomes would affect the US-Libyan aid relations. In an NSC meeting in October 1959, Karl G. Harr speculated that the Libyan Government was “beginning to sense already the possibility of elimination of foreign aid”, which was affecting its attitude toward the US military presence in the country. According to Harr, the Libyans had tolerated the US presence only because of the need for foreign aid.

These fears seem to have been somewhat gratuitous as the Libyan Government did not do anything to give up the US aid or force the United States out of Wheelus. Instead, the Libyan Government pressured the Eisenhower Administration for more aid funding. According to an NSC report from March 1960, the Libyans had been dissatisfied with the size of the US economic aid program and with the controls involved in its

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Oil had provided them an economic leverage to demand more “quid pro quo” in return for the base concessions, and this was most likely the reason why Libyans wanted to reopen the negotiations about annual payments in 1958.

Due to the importance of the Wheelus, the United States was therefore in a position in which it had to increase its economic aid to a nation that was about to become very rich with its own natural resources. However, some members of the Eisenhower Administration believed that if the renunciation of aid to Libya or cutbacks in it were not possible, at least the nature or form of this aid could be changed in the near future in order for it to somehow better fit the new situation. In March 1960, at least C. Douglas Dillon and President Eisenhower himself believed that the economic aid to Libya should be changed from grant-based to loan-based meaning that Libya would have to pay back its future aid eventually. In addition, Dillon speculated that as long as the United States wanted to keep the Wheelus Air Base, it could not reduce its assistance to Libya, even though there was the possibility that the assistance could be shifted from grants to loans.169

In addition to these deliberations, the possibility of having to pay large amounts of aid dollars to a country rich with oil revenues caused actual increasing concerns over how this was going to affect Libya’s future development in the Eisenhower Administration. There was a growing fear that Libya would not have the economic capacity to properly absorb all these funds fast enough.

US Secretary of the Treasury Robert B. Anderson voiced these concerns in the 436th meeting of the NSC in March 10, 1960. In this meeting, Anderson pointed out that the US non-military aid together with the military aid and foreign oil investments were threatening to cause serious inflation in Libya. In its policy guidance section, the subsequent NSC report about the US policy toward Libya also stated that the United States should “make a major effort to strengthen Libya’s ability to utilize effectively the large amounts of capital becoming available”. This was supposed to be accomplished by promoting such things as “adoption of fiscal policies which reduce the danger of inflation and will make available to the Government the revenues required for

169 Ibid.
Government-sponsored development projects” for the Libyans. In addition, the same policy guidance section mentions that the United States should continue to provide assistance on a gradually declining basis also shifting from grant aid to loans as far as possible.170

This excerpt illustrates well how the Eisenhower Administration wished to change the nature of its Libyan aid policy, and also how problematic situation it faced: in order to maintain the Wheelus Air Base as well as good relations with Libya, the Eisenhower Administration was somewhat forced to pay such assistance that they knew could destabilize the Libyan economy. At best, the Americans were only able to counsel the Libyan Government to take steps to the right direction, but, at the same time, they were unable to make drastic changes in their own policy. Even though the problem was recognized, the political factors, which were seen as more pertinent, superseded any sound economic aid planning. This issue was never really solved before the end of Eisenhower’s second term in office. Thus, it was passed on to the Kennedy Administration.

When it came to Morocco and Tunisia, the Eisenhower Administration was similarly concerned over the political and social stability of the countries, and it seems to have been ready to support the governments of both countries through aid as long as they remained relatively pro-West. The economic problems caused by the French economic sanctions made the American fears more valid, as both countries saw their economic conditions to worsen during the last years of the 1950s.

In the case of Morocco, the concern over the strategic interests was again usually mentioned in the context of economic instability as well as political instability resulting from it. In the eyes of some members of the Eisenhower Administration, Morocco’s greatest political problem was the so-called “left wing” element of the Istiqlal party. Apparently, this faction was the most vocal in demands for the US evacuation. The fact that this group was part of the ruling political party in Morocco made its existence an issue that the US officials had to pay attention to. In March 1958, for example, a message from Under Secretary of State Christian Herter to the Moroccan Embassy stated how it was in the interest of the United States to use its aid funds to support the

170Ibid.
“moderate elements” and, in return, get assurances that the US operations in the country could continue.\footnote{171} 

Although the United States did not have a military base in Tunisia, the Eisenhower Administration considered also its political stability a very important issue. This was not just because Bourguiba was considered important for the future or because of the pro-Western orientation of Bourguiba’s country, but for the region as whole. Especially Deputy Assistant Secretary of State Rountree, the highest ranking official responsible for North African affairs, appears to have been of the opinion that Bourguiba was vital to the stability of the whole North Africa. In meeting with Secretary Dulles and other high ranking State Department officials in April 1958, Rountree stated that if Bourguiba fell, it would cause the fall of Libya and jeopardize the Western position in North Africa. None of the other participants in the meeting disputed this. Four months later, Acting Assistant Secretary of State for near Eastern, South Asian and African Affair J. Lampton Berry repeated this view in a memorandum to Christian Herter, who had become the Acting Secretary of State.\footnote{172} 

Apparently, the political importance attached to Bourguiba had an impact on the amount of US aid directed to Tunisia. US officials observed, with great concern, how the political and economic situation developed in the country during the 1950s, and were willing to intervene with the aid when the situation required it. 

During the final years of the 1950s, the Tunisian economic situation quickly worsened. In 1959, the Bourguiba Government had run into serious problems. In addition to the problems with the French and the subsequent flight of capital, Tunisia was suffering from the conflict in Algeria as well as growing unemployment, which affected 25 per cent of the Tunisian labor force. According to the US Embassy in Tunis, the estimated number of underemployed or unemployed Tunisians was 350 thousand by the beginning


\footnote{172} Memorandum for the Record of a Meeting, April 2, 1958, 3:30 pm, Secret; Memorandum from the Acting Assistant Secretary of State for Near Eastern, South Asian, and African Affairs (Berry) to the Acting Secretary of State, August 15, 1958, Secret, \textit{FRUS, 1958–1960, Volume XIII} 1992, p. 838–840, 854–856.
of 1960. Furthermore, the value of Tunisia’s commodity exports dropped from 153 million dollars to 115 million dollars from 1958 to 1961.\textsuperscript{173}

The growth of US aid to Tunisia seems to be clearly connected to these problems. On the fiscal year 1960, the US economic aid to Tunisia was 57.1 million dollars, which was 24 million dollars more than in the previous year. Five million dollars of this increase was paid as grants and nineteen million in a loan form. During the next fiscal year, when the Tunisian situation worsened due to crop failures, US aid to Tunisia was 109.3 million dollars of which 92.9 million was in a form of a grant.\textsuperscript{174}

The way the Tunisian situation impacted the US aid to the country is probably best illustrated by the changes that the Eisenhower Administration seems to have been ready to make to the PL 480 in order to increase the aid to Tunisia late in 1959. By that time, the PL 480 aid had become the most important part of the US aid to Tunisia. Since April 1958, twenty thousand metric tons of US wheat had been used as a partial payment for the people who participated in a Tunisian work relief program, which undoubtedly had a major stabilizing impact in a country that was in such a bad economic state as Tunisia. Originally, the Eisenhower Administration had decided to extend this aid to 40 thousand tons of wheat for the fiscal year 1960. According to a confidential US Council on Foreign Economic Policy report regarding this program from December 1959, the Tunisians had requested a considerably larger increase, and even the US mission in Tunisia recommended increasing aid to 72 thousand tons of wheat. According to the report, this would have covered 100,000 persons. The report also states that the ICA supported this as long as the Department of state considered it politically necessary.\textsuperscript{175}

The report also reveals that there was a problem concerning the expansion of the PL 480 aid. Originally, the aid had been provided under the Title II of the PL 480, i.e. it was primarily for humanitarian purposes. Apparently, the expansion of the work relief


program would have created a precedent for using Title II grants for economic development. The urgent need to increase this aid is partly illustrated in the report compiled during the deliberations on how to carry out the expanded program. The report states that the ICA considered it possible to convert the program under the Title I of the PL 480. However, this would have been difficult to justify as long as Tunisia was shipping wheat to France with a preferential tariff system. In addition, it was the opinion of John Czyzak, the Assistant legal adviser for Economic Affairs, that it would be possible to extend the program under the contemporary language of the Title II in the view of the political urgency. Still, the Eisenhower Administration had already made steps to amend the PL 480 with a new objective for Title II, which would have permitted that the aid provided under it could be used for “economic development in underdeveloped areas”.

It cannot be a coincidence that the Eisenhower Administration was proposing an amendment for the Congress at the same time when the need for aid was urgent in Tunisia and its efficient implementation very much depended upon this. However, the available source material cannot confirm that Tunisia alone was the reason behind the amendment nor does it state the possibility that there were other recipient countries with a similar situation.

In addition to the aforementioned report, the connection between the Title II aid for Tunisia and the amendment is mentioned at least in a memorandum from Joseph Rand, Secretary of the Council on foreign Economic Policy to Clarence Randall, Chairman of that same Council, dated January 6, 1960. In this memorandum, Rand states that the economic aid to Tunisia will be continued in an increased amount and that the ICA would prefer it to continue under the Title II. The problem was that the Congress had previously rejected the amendment in conference. However, Rand’s memorandum also states that the ICA was optimistic that the Congress would approve the change in authorization during the year 1960. During the fiscal year 1961, the value of the PL 480 aid to Tunisia increased to 57.9 million dollars.

176 Ibid.
4.5 Problems at Home

It is important to note that in addition to the purely foreign policy issues, the internal workings of the US Government also had a major impact on how the Eisenhower Administration was able carry out its aid policy towards Libya, Morocco and Tunisia. In addition to the political struggle between Republican and Democratic parties that was constantly going on, the struggle between Executive power and Legislative power, i.e. the President and Congress, was a phenomenon that had serious repercussions for the US aid policy in the area of North Africa. This was probably even more relevant than the party juxtapositions. Foreign aid had become an important part of the US foreign policy, and the appropriations power gave Congress a chance to have an impact on the implementation of this policy.

In Congress, many opposed the idea that foreign aid was going to become a permanent part of the foreign policy. In addition, many Congressmen considered that it was useless to get into any kind of economic race with the Soviet Union. Long-term development assistance projects, which were often vital to recipient country’s efficient development, were unpopular in Congress because they took a long time to produce uncertain results.178

One of the most ardent opponents of foreign aid was a conservative Democratic Congressman Otto Passman of Louisiana, who as the chairman of a House Appropriations Subcommittee had a major impact on foreign aid appropriations. Passman once told an official of the Eisenhower Administration that: “Son, I don’t smoke; I don’t drink; my only pleasure in life is kicking the shit out of the foreign aid program of the United States of the America.”179

Among Eisenhower’s own party, there were also many who strongly opposed his policy concerning the foreign assistance: Old Guard Republicans complained about the extensive and unwarranted commitments in overseas affairs, fiscal conservatives denounced Mutual Security as an expensive foreign giveaway program and staunch anticommunists objected aiding neutralist nations, such as India. At the same time, liberal internationalists in both parties protested that the foreign aid program lacked

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specific objectives and yardsticks against which to measure the costs in any rational fashion.\(^{180}\) All this negativity in Congress clearly had a direct impact on how the Eisenhower Administration was able to direct funds to the countries in question.

Cutting the funds directed to foreign aid programs was not the only way the Congress hampered Eisenhower Administration’s aid policy. Due to all the anti-aid opposition in the Congress as well as the American legislative procedures, the necessary funds had to be appropriated on a year-to-year basis. This was a fact that the American diplomats sometimes had to explain to frustrated foreign officials in Tripoli, Rabat and Tunis. The same explanations were sometimes given to the British and French officials, when the issue of aiding the three North African countries was discussed with them.\(^{181}\)

American officials usually only presented the legislative side of the problem. However, in November 1957, when King Mohamed V of Morocco was visiting the United States, the Secretary of State Dulles stated, in a meeting between the American and Moroccan officials in Washington D.C., that Congress had put the Administration “on somewhat short rations in the matter of foreign aid”. Thus, he was referring to the considerable cuts to foreign aid budget. A few days after this meeting, ICA Deputy Director for Operations Dennis A. FitzGerald met Moroccan Minister of National Economy Abderrahim Bouabid and Permanent Secretary of the Economic Planning Committee Benkirane in Washington D.C. in a meeting related to the matter. In the meeting, the Moroccans requested 50 million dollars of the US economic assistance for the fiscal year 1958. FitzGerald explained to the Moroccans how the Congressional reductions to the aid funds had caused serious limitations to the US ability to meet the world-wide aid needs.\(^{182}\)

The previously mentioned report concerning Vice-President Nixon’s conversation with King Mohamed of Morocco and other high-ranking Moroccan officials is also a good example of how the issue of congressional cutbacks was present at the time when the matter of the US aid was discussed with the officials of the recipient countries. During


the conversation, Nixon explained, in detail, to the Moroccans the legislative requirements of the US aid programs and how President Eisenhower was not always able to do as much or as quickly as he liked in field of foreign aid due to Congress.\textsuperscript{183}

According to source material, the issue of governmental constraints seems to have been quite commonplace in the discussions between the US officials and the representatives of other countries. However, it was also present in the internal discourse of the Eisenhower Administration. Naturally, this issue is often included in the instructions and reports sent from Washington D.C. to the embassies, as the Department of State advised American ambassadors to explain the predicament to the frustrated hosts. These kinds of instructions were sent to Morocco at least on April 22, 1957, and to Libya on May 4, 1957.\textsuperscript{184} Undoubtedly, the US Embassy in Tunis also received similar instructions, as well as the other US Embassies around the Third World.

Furthermore, when the future action was planned in Washington D.C., the Eisenhower Administration naturally had to take notice of the uncertainty that Congress was causing with its budgetary and legislative power. In the message that Under Secretary of State Herter sent concerning the US support for Moroccan Government and getting assurances for the continuation of the US presence in Morocco, he also mentioned how important it was for the future US-Moroccan aid policy to get this assurance. The reason behind this was that the assurance would make it possible for the Eisenhower Administration to justify the extension of US aid to Morocco in its then magnitude to Congress.\textsuperscript{185}


5. Kennedy’s New Direction

5.1 New Administration, Same Allies and Enemies

During the Kennedy Presidency, the relations of France with Morocco and Tunisia continued to be problematic. This was a constant cause of concern for the US officials. The French had withdrawn a lot of their investments from the two countries during the late 1950s, and a large part of French nationals, who formed a major part of the professional work force in the area, had left North Africa. This was a major reason for the economic woes in Tunisia and Morocco that had put pressure on the United States to increase its aid to them. Despite this flight of capital and trained labor, the French economic influence in Morocco and Tunisia was still considerable in the beginning of the Kennedy Presidency: According to a briefing paper by the US Department of State in 1961, Morocco still relied on some 15,000 French advisers, technicians and teachers, and also Tunisia employed several thousand French experts. In addition, France continued to provide a protected market for the Moroccan and Tunisian exports, and French investments still accounted for most of the modern sector especially in Morocco.186

Although there were problems in the relations between France and Morocco, the Algerian War being one of the worst, it was Tunisia whose problems, with its former colonial master, caused major concern in Washington. The Franco-Tunisian relations had been tense throughout the late 1950s, but soon after the new Kennedy Administration had taken charge, the situation worsened considerably. A major crisis erupted in July 1961 when the Tunisian and French forces began fighting in the city of Bizerte in northern Tunisia. In the city, there was a large and strategically important French naval base. The French had promised to negotiate about the future of the base, but had never done so. The tension eventually erupted as a three day battle beginning on July 19. The Tunisians were repulsed, but eventually France evacuated the base in October 1961.

As a result of the crisis, the Franco-Tunisian economic relations worsened. Many French professionals as well as French investments began to leave Tunisia again. According to G. Mennen Williams, Assistant Secretary of State for African Affairs in the Kennedy Administration, Bizerte shattered the cooperation between the governments of Tunisia and France, and it was unlikely that this cooperation would be reacquired in the foreseeable future. Williams had visited Tunisia in October and reported his views to the Department of State. He expressed the doubt about whether Tunisian Government would have the capacity to carry out all of its development plans in the new situation. In the spring 1961, the Tunisian Government had presented their three-year development plan for the period from 1962 to 1964, which was supposed to be a first phase in a ten year development plan. In addition, Williams expressed fears that the Tunisian Government could be looking elsewhere to fill the gaps left by the lost French assistance. Thus, he was most likely referring to the threat caused by the idea that the Soviet Union or its allies might use the rift in the Franco-Tunisian relations and offer its economic aid to Bourguiba and the Tunisian Government thus gaining Tunisia’s goodwill.¹⁸⁷ This situation and the fears of a Soviet economic incursion undoubtedly played some kind of a role when the Kennedy Administration made decisions about the level of aid provided to Tunisia.

During the Bizerte Crisis, the Kennedy Administration had been very cautious trying to avoid being distinctly aligned with either of the sides. After the actual crisis abated, the United States tried to amend the damaged relations and shift focus away from the problem areas. Apparently, aid policy played a major role in this. The US Embassy in Tunis, as well as the Kennedy Administration, spent the months following the crisis trying to get the Tunisian Government to pass its fixation with Bizerte by getting the Tunisians to concentrate on economic and social development. According to US Ambassador to Tunisia Walter N. Walmsley in the summer 1962, this approach was paying off. In addition, Walmsley suggested to the Secretary of State Dean Rusk that the publication of the US aid commitment could serve to encourage Bourguiba’s effort to re-focus the Tunisian efforts.¹⁸⁸

¹⁸⁷ Telegram from Benghazi to the Secretary of State, October 20, 1961, Confidential, Kennedy Library: National Security Files: Countries: Tunisia.
¹⁸⁸ Telegram from US Embassy in Tunis to the Department of State, June 23, 1962, Confidential; Telegram from Tunis to the Department of State, July 11, 1962, Confidential, Kennedy Library: National Security Files: Countries: Tunisia.
The Kennedy Administration valued Tunisia’s development plans highly and did not want them to fail due to the problematic relations between France and Tunisia. However, at the same time, the Kennedy Administration was not ready to substitute the French aid to Tunisia, and this was another reason why it was important that Tunisia and France would mend their relations. According to the Department of State guideline paper for policy and operations regarding Tunisia from May 1962, there was hope that many of the Special relationships, such as economic and technical assistance from France to Tunisia, would endure in spite of Bizerte. In addition, the paper sets lines of action, and the first of them was the continuance to urge France and Tunisia to settle their differences.\(^\text{189}\)

A report prepared by the Fourth interdepartmental Survey Group\(^\text{190}\), which had visited Tunisia, dated April 19, 1963, also stated that one of the main objectives of the US policy towards Tunisia was “the restoration in non-colonial form of Tunisia’s former special and mutually beneficial ties with France” at the time. In addition, the report notes that the success of the Tunisian development plans largely relied on the future of this relationship, and that it also had a direct impact on the US policy: the size of the future requirements for the American aid depended, to large extent, on the resumption by France of its natural economic role in Tunisia.\(^\text{191}\) Just like the Eisenhower Administration had done, the Kennedy Administration apparently deduced that when the French aid funding dried up, Tunisia would come to ask the US to replace it, causing a new dilemma for the Administration.

By the end of 1963, the Franco-Tunisian relations seem to have improved. It is unclear how big of a role the United States eventually played in this. Nevertheless, France continued to be one of the major aid donors in Tunisia’s case, and by 1963, it had apparently reestablished the aid relationship again. According to a US estimate published in a Congressional report in 1963, France’s estimated aid expenditures to

\(^{189}\) Department of State Guidelines for Policy and Operations: Tunisia, May 1962, Secret, Kennedy Library: National Security Files: Countries: Tunisia.

\(^{190}\) The Fourth Interdepartmental Survey Group on Liberian and Tunisia was a part of a program of interdepartmental field visits by specially constituted teams founded in 1962. Each team was to submit a detailed plan to the Secretary of State, who would forward it to the President. Teams were under the chairmanship of the Department of State, and in addition the Department of Defense, AID, CIA and other agencies were represented as appropriate to conditions in a given country (Editorial Note, \textit{FRUS}, 1961–1963, \textit{Volume XXV} 1995, http://history.state.gov/historicaldocuments/frus1961-63v21/ch1).

Tunisia were 25–30 million dollars between 1962 and 1964. Even though these figures mean that France was still one of the biggest aid donors in Tunisia’s case, the United States had taken its place as the biggest donor: in the fiscal year 1962 alone, the US aid as grants and loans to Tunisia was worth of 48.2 million dollars. In addition, the Kennedy Administration had made a long-term commitment to Tunisia’s Three Year Development Plan by promising 180 million dollars in 1962.  

A report prepared by the US Department of State Policy Planning Council in 1963 also gives a very positive picture of the contemporary Franco-Tunisian aid relationship. According to it, France was prepared to play a major role in both Morocco and Tunisia, and the two countries were eager to get more economic assistance from France. The fact that funding from other sources was assured must have, in part, increased the trust for the Tunisian development programs within the Kennedy Administration.

In spite of the fact that the United States had replaced France as the biggest aid donor to Tunisia during Kennedy’s Presidency, there seems to be an indication that at least some members of the Kennedy Administration did not support the idea of this becoming a permanent condition. A report from the Fourth Interdepartmental Survey Group indirectly indicated how it considered the future aid relationship between Tunisia, France and the United States. The Survey Group believed that the United States was going play an important role in Tunisia’s development, but it was not going to be the most important role. Apparently, this was still left for France. This seems odd when considered the amounts of aid the United States was paying and willing to pay for Tunisia in the future. At this point, France had not committed itself the same way.

In Morocco’s case, the French assistance was indeed very substantial at the end of the Kennedy Presidency. In a memorandum to President Kennedy dated March 28, 1963,

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193 Policy Planning Council or Policy Planning Staff was and is the chief strategic arm of the US department of State. It was created in 1947 to serve as a source of independent policy analysis and advice for Secretary of State. The Policy Planning Staff’s mission is to take a longer term, strategic view of global trends and frame recommendations.
Robert W. Komer, member of the National Security Council Staff at the time, stated that France was providing Morocco aid worth of 56 million dollars in the fiscal year 1963 and again in the following fiscal year. According to Komer, this meant that Morocco would not really need US aid due to of this substantial assistance. However, this seems to be only his opinion as it does not appear anywhere else in the studied documents. In addition, it is unclear how much impact Komer’s view had in this case.

According to the documents, the Kennedy Administration also had an increasing interest to build stronger ties between Western Europe and the North African nations, and apparently, the Western aid to these nations was an essential part of this. According to a paper written by Heywood H. Stackhouse, officer in charge of Tunisian Affairs, for a Policy Planning meeting in July 1963, the end of the Algerian War had made Western Europe politically acceptable again. As a result, Western Europe was “helping to take up the assistance slack in Morocco”. Also in Tunisia’s case, the Western European aid was now increasing.

The aspect of Western Europe was also mentioned in a Policy Planning Council’s report from September 1963. According to the report, one part of the US objectives in North Africa was to preserve and reinforce the already existing North African bonds with Western Europe, to rebuild them where they had been damaged and to utilize its influence “to provide a strong economic base for this cooperation through strengthened North African - EEC ties”. The report recommended that the Kennedy Administration should remain “open-minded and alert for opportunities to further Maghreb ties with Western Europe” and put a strong emphasis on the role of aid programs, both US and other Western, in this process.

Even though the US had the most pivotal role in this plan as the biggest Western donor, the Kennedy Administration was apparently very keen to get its European allies to increase their share as well. However, this was not just a regional phenomenon, as it

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was part of President Kennedy’s overall aid policy to advocate an increased international support for serious development efforts.\(^{199}\)

The support for Tunisia’s long-term development plan had also one another foreign policy motive. Based on several documents, it is clear that the Kennedy Administration wanted to use this plan and their support for it as an example for other underdeveloped countries of how a newly-independent nation can, in cooperation with the West, achieve real progress in the field of economic development. The Tunisian pro-Western orientation and other qualities in the field of political and economic development were something that the Department of State for one wanted to encourage also elsewhere. At the same time, it was possible to use this process to demonstrate, to the Western World, that newly-independent nations, like Tunisia, can become proper members of the international community and that assisting them is worth the effort and the expense. Documents stating these objectives included the Tunisian guideline papers from 1961 and 1962.\(^{200}\) In other words, the Kennedy Administration wanted to use Tunisia a kind of a model student of the Western developmental cooperation that could be then used in the Third World as well as in the West.

One important reason why the Kennedy Administration wanted to increase the role of other Western nations in the arena of aid was the aspiration to minimize the ability of the Soviet Union or the Soviet Bloc to use aid as a tool to improve the way it was perceived in North Africa. This is very clearly mentioned in the aforementioned Policy Planning Council report and in many other documents.\(^{201}\)

During the Kennedy Presidency, the relations between the Soviet Bloc and the three North African nations were very different than what they had been in the beginning of their independence. In 1961, there was a consensus among the US State officials that the North African countries were, in a way, neutral Cold War actors: they were neither safely aligned with the West nor irrevocably committed to the Soviet Bloc. Department of State Tunisia guidelines paper from July 1961 also states that Tunisia’s relations with

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\(^{199}\) Rostow 1985, 173.
the Soviet Bloc had been mostly limited to diplomatic exchanges thus far. In addition, there had been an investigation of the extent to which the Soviet assistance might be acceptable to meet the gaps between Tunisia’s needs and the Western funding. According to the guidelines paper, it seems that the Soviet Union placed “a relatively low priority on Tunisia”, and it was unlikely that the Soviet Union would engage in significant efforts to influence the Tunisian policy.\footnote{202}

After the Bizerte crisis, Tunisia broadened its relations with the Soviet Bloc countries. President Bourguiba was apparently somewhat disappointed in the lack of open US support during the crisis. The Soviet Union made its move at the right moment, and Tunisia accepted its aid offer: in the beginning of August 1961, the US Embassy in Tunis informed the Department of State how the Tunisian press was reporting about the establishment of a 25 million ruble Soviet aid credit for Tunisia. Six days later, Ambassador Walmsley sent a telegram trying to explain the Tunisian stance by summarizing a speech Bourguiba was going give the next day. It emphasized the fact that Tunisia was acting on a purely national standpoint: if the West ignored the Tunisian ideals, the Tunisian Government would ignore the West. In addition, the Tunisian Government was willing to accept aid from East or West if it promoted national objectives.\footnote{203}

It seems that the acceptance of Soviet aid did not cause any major ripple in the US-Tunisian relations or any negative counteraction in the US aid policy in connection with Tunisia. The United States was not ready to abandon Tunisia’s Three-Year Plan because of Tunisia’s acceptance of Soviet aid. In the end, the aid coming from the Soviet Bloc was only a small fraction of the amount of assistance Tunisia was receiving from the United States and its allies: according to the aforementioned estimate from a Congressional report, Tunisia was going to receive aid worth maximum of 35 million dollars from the Soviet Bloc countries between 1962 and 1964, while the value of aid coming from West during the same period was clearly over 200 million dollars.\footnote{204}


\footnote{203} Telegram from Tunis to the Secretary of State, August 11, 1961, Secret, Kennedy Library: National Security Files: Countries: Tunisia.

\footnote{204} Report of a Study of United States Foreign Aid in Ten Middle Eastern and African Countries, 1963, p. 95, 102.
Ultimately, the Kennedy Administration considered the Tunisian Government so pro-Western that this kind of broadening of diplomatic relations was not perceived too problematic. The Department of State paper titled “Guidelines for Policy and Operations” from 1962 stated, about Tunisia’s relations with the Soviet Bloc, that even though Tunisia had broadened its relations with the Soviet Union and its allies, the Tunisian leadership had “a healthy fear of too close association with the Bloc”. Apparently, the Soviet Bloc countries had reacted only moderately to the modest opening offered by Tunisia. The guideline paper speculated that the Bloc was sensing that the pro-Western affinities of the Tunisian leadership were limiting any potential of incursion through aid and was therefore probably going to concentrate on Algeria in the future. According to the paper, the Department of State had also reached the conclusion that Tunisia, on the other hand, was merely using the Bloc aid as a “proof” of its non-alignment to other Arab nations.\(^\text{205}\) In these circumstances, it was unnecessary for the United States to undertake any attempts to pressure the Tunisians by withholding aid. Tunisia’s Three Year Program was too important, and because Western nations paid a considerably larger share of the program, the Kennedy Administration was undoubtedly sure that the massive development endeavor would be primarily considered as a Western project.

In Libya’s case, the Kennedy Administration did not seem to have had any concerns related to the Soviet Bloc that would have, directly or indirectly, caused any action or deliberations concerning the US economic or technical aid to the country. However, the Moroccan-Soviet relations were a cause of some worry at the beginning of the Kennedy Presidency. The fact that Morocco had requested and received Soviet military aircrafts late in 1960 was a dilemma in the Moroccan policy of the Kennedy Administration from the beginning. This agreement with the Soviets was the work of Crown Prince Hassan, who was not as fundamentally pro-American as his father King Mohamed. A little over a month after Kennedy was sworn into office, Hassan became King of Morocco when Mohamed died unexpectedly during surgery.\(^\text{206}\)

\(^{205}\) Department of State Guidelines for Policy and Operations: Tunisia, May 1962, Secret, Kennedy Library: National Security Files: Countries: Tunisia.

\(^{206}\) Pennell 2000, p. 312.
The issue of Soviet military aid seems to have dominated the Moroccan-related discussions in the Kennedy Administration in 1961. Receiving Soviet aircrafts meant that Morocco also received several Soviet military technicians and pilots. The presence of Soviet military personnel was considered a serious threat to the security of the US military bases. Hassan did not want to jeopardize the relations with the United States completely and tried to pacify the situation, but was not ready to send the technicians and other Soviet personnel back. Originally, Hassan had turned to the Soviets because the United States had refused to provide the same kind of military assistance to Moroccans. Eventually, the US Department of Defense and the Department of State agreed on a program that was designed to preclude further Soviet military assistance to Moroccan air forces.\(^{207}\)

Before this course of action was chosen, it seems that even the economic aid was dragged into discussions when the Kennedy Administration contemplated the right approach. On February 18, 1961, at the very beginning of President Kennedy’s term, Department of State and Secretary of State Dean Rusk sent a telegram for Ambassador Yost to Rabat. The telegram contained instructions for the Ambassador and a short review of the stance of the Administration. An FYI at the end of the telegram suggests that should the conversation between the Ambassador and King Mohamed not go as well as hoped, particularly in regards to the issue of Soviet equipment and staff, the United States might demonstrate a harder line towards the Moroccans. The State Department suggested that the US economic aid could, in such situation, be “one area where US could make its displeasure felt”. In addition, the telegram speculated the ways the United States could “use” aid in this way. These included “stalling on the commodity import schedule” or tightening up on the terms of the 20 million American dollar aid loan already promised to Morocco. According to the telegram, the Department of State was very aware that this kind of approach to the problem of the Soviet military aid had the risk of having serious counter-effects should it be revealed to the Moroccan public and that ultimately, the use of this kind of reprisal required careful study.\(^{208}\)


This short review is very instructive as it tells that at least some members of the Kennedy Administration in the Department of State were ready to consider using economic aid as a tool for putting pressure on the Moroccans or at least for bargaining with them. For them, in this case, the smooth maintaining of good aid relations required that the recipient did not have too close relations with the Communist Bloc. Although the possibility was discussed, it seems that the Kennedy Administration never initiated this kind pressure towards the Moroccan Government.

In addition to the military aid, the Soviet Union was offering Morocco large amounts of economic aid, just like it was offering that to Tunisia. Although this meant that the United States was forced to compete with it in this field, it did not mean that the Kennedy Administration was ready to ward off every Soviet aid effort. According to a memorandum from Robert W. Komor to President Kennedy dated August 21, 1962, certain Moroccan officials had hinted that the Soviet Union had offered Morocco 30 million dollars worth of aid for a project intended for building a shipyard in Tangier. The fact that the Soviet Union was planning to initiate such a massive program did not seem to worry Komor, and he recommended that the United States should not offer any additional or substitutive aid for the program in order to try to keep the Soviets away. According to Komor, the NSC staff did not consider that the Soviet Union was going to gain any significant military advantage from the project and, as the AID believed, the project was going to be an economic flop due to the oversupply on world shipbuilding capacity. Thus, it was more important to somehow wangle out if the Moroccan officials tried to inject the program into aid negotiations.209

The issue was apparently only a minor part of the aid level and base negotiations the United States was having with Morocco. In a way, it points out that the Kennedy Administration was not alarmed by every new Soviet aid project in North Africa, but instead it carefully weighed the value of the new aid projects and avoided those that were considered short-sighted or ill-planned. However, Komor did not deny the fact that the United States was in an economic contest with the Soviet Union in North Africa and therefore had to monitor the Soviet aid endeavors. Instead, in the memorandum, he

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mentioned that the United States had to “continue to pay handsomely if we want… to compete effectively with the Bloc” in Morocco and in the whole North Africa, which was “certainly the most important piece of real estate in Africa”.\footnote{ibid.}

Improving relations with the United Arab Republic was one of the key components of Kennedy’s Middle East policy. This did not mean that the United States seized to see the UAR as a threat to its North African friends. At the time, Egyptian propaganda was being broadcasted in the neighboring countries, like Libya, and at least at the beginning of Kennedy’s Presidency, the US ambassadors felt that it was more dangerous to the West than communist propaganda. In addition, the Department of State continued to receive reports of UAR sympathy for elements opposing regimes in all three countries in question until 1963. Apparently, Libya, which had become rich with oil, was a particularly attractive target for the UAR, which was struggling with economic problems.\footnote{Memorandum from the Deputy Assistant Secretary of State for African Affairs (Fredericks) to Secretary of State Rusk, August 11, 1961, Secret; Telegram from the Department of State to the Embassy in the United Arab Republic, January 29, 1963, Secret, \textit{FRUS, 1961–1963, Volume XXI 1995}, \url{http://history.state.gov/historicaldocuments/frus1961-63v21/ch1}; Telegram from the US Embassy in Benghazi to the Department of State, March 15, 1962, Secret, Kennedy Library: National Security Files: Countries: Libya.}

The threat of the United Arab Republic is not directly mentioned in connection with the US economic and technical aid in the examined documents from the Kennedy Administration. Nonetheless, the United States considered helping Libya, Morocco and Tunisia to maintain their independence and territorial integrity as part of the main US objectives in North Africa during this period.\footnote{Guidelines of US policy towards Tunisia (Attachment to a Memorandum from George A. Morgan to Walt Rostow), July 5, 1961, Secret; Telegram from the US Embassy in Benghazi to the Department of State, March 15, 1962, Secret, Kennedy Library: National Security Files: Countries: Libya, Tunisia; Report Prepared by the Policy Planning Council: North Africa at the Mediterranean Littoral, September 23, 1963, Confidential, \textit{FRUS, 1961–1963, Volume XXI 1995}, \url{http://history.state.gov/historicaldocuments/frus1961-63v21/ch1}.} This meant keeping the UAR influence as low as possible. Therefore, it is probable that the threat posed by the UAR sometimes came up when the members of the Administration handled the issue of aiding the North African nations. Nevertheless, the aid projects directed against the UAR are not directly mentioned in the documents.

Algeria gaining its independence in July 1962 was an event that changed the North African political situation more than any other thing during the Kennedy Presidency.
The end of the Algerian war was considered to open new possibilities not only for the United States, but also for the Soviet Union in North Africa. Even though Morocco, Tunisia and Libya had supported the Algerian cause during the war, there were fears among the US officials that Algeria’s relations with its neighbors might become very problematic. Already in 1962, US officials predicted that disputes regarding the conflicting territorial claims or the differing views of foreign policy might cause disputes between Algeria and Tunisia.213

The new Algerian state fell into civil war that was won by the left-wing faction of the revolutionary forces. Algeria was now headed by Ahmed Ben Bella, whose government chose to follow socialist and Arab nationalist policies. This alienated Algeria from the United States as well as from the other North African countries. In 1963, a major conflict erupted between Morocco and Algeria over certain regions on the disputed Algerian-Moroccan border. Although there had been skirmishes before as well, the conflict escalated into a full-blown military confrontation in October 1963. This conflict was known as the Sand War, and it was broken off after three weeks due to an intervention by the Organization of African Unity (OAU). The formal cease-fire was established on February 20, 1964.214

In spite of the socialist tendencies of the Algerian Government, the Kennedy Administration did not want to cut ties with the new nation. Instead, in the fiscal year 1963, it provided Algeria with extensive amounts of assistance, most of which was food aid. With the massive food aid, Algeria became immediately the largest recipient of US assistance in North Africa. During the Sand War, the Kennedy Administration wanted to emphasize the US impartiality and not side with either of the combatants. As one part of this policy, the United States continued its aid programs for both countries throughout the conflict. As the Kennedy Administration did not want it to look like it was favoring either side, the issue of aid to Morocco was raised in a White House meeting with officials from the Department of State, the Department of Defense and the CIA on October 28, 1963. During this meeting, President’s Special Assistant for National Security Affairs McGeorge Bundy raised question of whether the Kennedy Administration should sign the 10 million dollar aid loan, which apparently had been

214 Pennell 2000, p. 333.
planned for a while. President Kennedy was reluctant to go ahead with the loan at the time, as he wanted to wait and see what would be accomplished in the peace negotiations held in Mali.²¹⁵

It seems that President Kennedy and McGeorge Bundy wanted to avoid a situation in which the United States would appear to have taken sides in the conflict by giving this major loan to Morocco. Kennedy probably thought that by waiting for the results of the peace negotiations, the Administration could avoid the situation in which other nations might assume that there was a connection between the conflict and the US aid to Morocco, and thus conclude that the United States was siding with Morocco. However, in the meeting, Acting Secretary of State George W. Ball recommended for the Administration to go ahead with the aid loan, since the loan process was already so far advanced. David Newsom, Director of the Office of Northern African Affairs at the Department of State, also added that the Tunisian Ambassador had already informed a journalist that the loan was due to be signed. Because of this, it would have looked like the United States was evading its commitments if they had backed down at the moment. Eventually, President Kennedy reluctantly agreed to go ahead with the loan.²¹⁶ This discussion shows that some members of the Kennedy Administration, and even the President himself, were ready to withhold the aid funding, at least temporarily, in order to avoid looking partial.

5.2 Something Old and Something New in Connection with Aid and the Military Bases

During the presidential election campaign in 1960, Kennedy had criticized connecting the US foreign aid and military policy objectives. However, a new president and a new administration did not mean that the role of the military bases was going to disappear from the US aid policy for the North Africa overnight or even at a slower pace. Instead, the Libyan and Moroccan bases played an important role in aid deliberations throughout

²¹⁵ Excerpt from Current Foreign Relations Issue, November 6, 1963, Secret; Memorandum for Record: Meeting with the President on Algeria/Morocco and Yemen October 28, 1963, at 4:30 p.m. in the Cabinet Room, October 29, 1963, Secret, Kennedy Library: National Security Files: Robert W. Komer: Algeria.

the Kennedy Presidency. Once again, aid was completely tied to issue of military bases but in a very different manner in both countries.

In 1961, the United States still maintained several bases in Morocco as well as the Wheelus Air Base in Libya, and the Kennedy Administration wanted to keep all these bases for as long as possible. The topic of the maintenance of the bases was discussed in a Regional Operations Conference at the beginning of Kennedy’s Presidency in August 1961. The conference, which brought together the US Chiefs of Mission from North Africa and the Middle East and which was chaired by Under Secretary of State Chester Bowles, agreed that as long as these bases were given strategic importance and the United States wanted to hold on to them, the Kennedy Administration was forced to face some political and economic disadvantages, that could have required providing further economic assistance to the countries. Even though the countries in question did not meet the criteria for economic development assistance established by the new administration, it was considered that the AID had to be present because of the military bases.  

In Morocco’s case, the Kennedy Administration was forced to honor the evacuation timetable that the Eisenhower Administration had finally agreed on with the Moroccans. However, the Moroccan Government was pressuring the US officials to expedite the evacuation of the bases. The fate of the Kenitra base was also uncertain. Apparently in 1963, Kenitra was still extremely important to the United States because of its communication facilities: according to a memorandum from the Deputy Under Secretary of State for Political Affairs U. Alexis Johnson to the Administrator of the AID David E. Bell, there were no practical alternative sites to all the facilities, and the relocation of the base would require a two year construction program that would have had the estimated cost of 25 million dollars.

In this setting, US aid apparently retained, to some extent, its role as a “quid pro quo” for the base rights. The term “quid pro quo” itself is mentioned in at least one of the


contemporary documents in connection to the issue: a memorandum from Deputy Secretary of Defense Roswell L. Gilpatric to General Lyman Lemnitzer, Chairman of the Joint Chiefs of Staff, from June 1961, handling the issue of the retention of the US Communications facilities in Morocco beyond the year 1963.\textsuperscript{219}

On the other hand, the evacuation schedule and the fate of Kenitra still evidently provided the Moroccans a certain bargaining position when the US and Moroccan officials discussed the amounts of economic and technical aid. Several documents portray this situation in a clear manner. One of these documents is the previously mentioned memorandum from Komer to President Kennedy from August 1962, in which Komer mentions how the negotiations of the bases will soon get mixed up with the question of the aid level in the fiscal year 1963.\textsuperscript{220}

The memorandum in question actually provides an interesting view on how the presence of the bases in Morocco affected the US aid planning and implementation in the case of this country. According to Komer, the US Embassy in Morocco believed that the aid level for the fiscal year 1963 had to be at least 40 million dollars of which 20 million was planned to be given as support assistance and the rest as PL 480 assistance as well as development grant for technical aid. In addition to all this, the AID was planning to provide from 12 to 15 million dollars in development loans at the time. The problem, or “hitch” as Komer called it, was that the Kennedy Administration apparently had trouble finding enough sound projects to spend all that lending on. Because of this, there was pressure to increase support assistance, even though the AID opposed the idea.\textsuperscript{221}

Komer’s review illustrates well the priorities of the US aid policy. It was more important to ensure that the Moroccans received a sufficient amount of funds during a certain fiscal year through aid system than to limit the amount of aid to sensible development projects. Money had to be spent even though there was no clear


\textsuperscript{221} Ibid.
This indicates that other objectives, i.e. the retention of the Kenitra base, had a clear priority.

In addition, this practice seems to be in conflict with some of the ideals that Kennedy had declared at the beginning of his presidency. The new aid criteria established by the Kennedy Administration, or mainly the concept of self-help, was apparently only secondary compared to the base issue in Morocco’s case. This is revealed in a confidential telegram sent from the Department of State to the US Embassy in Rabat on October 27, 1961. The subject of this telegram was AID’s program for Morocco during fiscal year 1962. It very clearly states that retaining the military bases in Morocco was the primary objective over following two years. At the time, Morocco did not even qualify for long-term US aid commitment under the new criteria, and encouraging the Government of Morocco to “change certain procedures and bolster others so that eventually (fiscal year 1964 or 1965) it might qualify for aid under new criteria” was designated as the secondary objective in the telegram.222

The same preference that was given to the military needs is illustrated by the long-range AID strategy concerning Morocco. This strategy was summarized in a cablegram sent from the US Embassy in Rabat to the Department of State about three weeks later. In this summary, the same objective concerning the bases is mentioned as the first one of the five goals on which the United States should have concentrated in its Moroccan AID strategy. In the same paragraph of the summary, it is also stated that this goal, in particular, made it mandatory to have a support assistance program in Morocco during the fiscal years 1962 and 1963. Prior to the fiscal year 1962, Morocco had not received any economic assistance through the Support Assistance Fund, but during those two years, it received about 51.7 million dollars through it.223

Although the Kennedy Administration clearly wanted to keep the bases as long as possible, there was apparently some disagreement and internal bargaining inside the Administration on whether the United States should be ready to increase its aid package to Morocco in order to get the base rights they wanted. According to a memorandum

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222 Telegram from the Department of State to the Embassy in Rabat, October 27, 1961, Confidential, Kennedy Library: National Security Files: Morocco.
from Komer to President Kennedy from March 1963, Ambassador John H. Ferguson and Assistant Secretary of State for African Affairs G. Mennen Williams were ready to support the increases, whereas the Administrator of the AID David Bell and Komer himself opposed them. Komer advocated his opinion by stating that:

My own sense is that we should hold the presently agreed line. King Hassan needs us as much as we need him, Kenitra is not worth more than we’re offering, and we’ve got to get the Moroccans to use our aid effectively instead of relying on a dole from us… In the last analysis the only reason to raise our offer would be if Defense can make an airtight case that Kenitra is worth and is willing to pay. 224

In late March 1963, there were several memoranda written on the combined subjects of aid and the bases. The reason behind this was that King Hassan was making an official state visit to the United States on March 27, 1963, and the military bases as well as the aid level were expected to be among the main topics in the discussions between President Kennedy and the King. During the visit on March 28, 1963, Komer wrote another memorandum for the President trying to persuade him not to agree to increase the aid funding. Apparently, Secretary of State Rusk was also ready to recommend a new, enhanced aid offer that would have increased the support assistance from 20 million to 30 million dollars in the fiscal year 1963 and raised the development loan minimum for the fiscal years 1964 and 1965. Komer mentioned that in addition to him, also AID, and not just its administrator, felt that the US interests in Morocco did not justify any increases. Komer believed that the Moroccans would eventually, although reluctantly, accept a lower aid level. 225

In addition to the subject of possible aid increases in order to maintain base rights in Morocco, the fate of the bases that were supposed to be shut down was intertwined with the aid issue. From the very beginning, the Kennedy Administration was interested in directing part of the US aid to Morocco to projects that concerned “civilianizing” the bases that were meant to be closed. The Nouasseur base was to be converted into an international airport, and King Hassan had plans to convert the Ben Guerir base into a


225 Ibid.
civil aviation training center and the Sidi Slimane base into a center of a new sugar beet industry.\textsuperscript{226}

The Moroccans were anxious to receive aid in this respect, and the Kennedy Administration also put an emphasis on these projects that were considered to have many advantages. In March 1961, Acting Secretary of State Chester Bowles summarized these advantages in a memorandum to President Kennedy by stating:

\begin{quote}
There is an opportunity here – to help in Morocco’s technical and economic development, to insure that Communist bloc powers do not come on the bases when we leave and to preserve for as long as possible our essential military interests in the remaining facilities.\textsuperscript{227}
\end{quote}

In other words, these base reconversion projects were an important part of the endeavor to keep the Kenitra base but, at the same time, they combined the developmental aspects and the Cold War politics of restraining the Soviet influence in North Africa.

The objective of keeping the Soviet Union, or any other hostile nation for that matter, from controlling the Moroccan bases was apparently of a particular importance for the Kennedy Administration, as this is mentioned in the key policy documents. One of them is the National Security Action Memorandum number 192 from October 1961 that lists the State or Defense Department recommendations regarding the US bases in Morocco that were approved by President Kennedy. The fourth recommendation concerned assisting Morocco in the effective utilization of the bases after the year 1963. The first objective mentioned in connection to this was to ensure that the bases will not be made available in any way to any hostile forces.\textsuperscript{228}

In addition to this objective, the Kennedy Administration was interested in maintaining some kind of US presence, civilian or military, at the bases after the year 1963. This, of course, could have had an impact on the form of the development schemes that concerned the bases that the United States was ready to fund. In addition, the preference of continuing the US presence was mentioned in the National Security Action Memorandum No. 102, which also stated the courses of action approved by the

\textsuperscript{226} Incoming Telegram from Assistant Secretary of State for African Affairs Williams to Deputy Assistant Secretary of State for African Affairs Frederics, Dakar, October 18, 1961, Confidential Kennedy Library: National Security Files: Countries: Morocco.


President. First of all, the AID was supposed to send a survey team to Morocco “to study and make recommendations… regarding the ways in which the US could assist the Moroccan Government in the post-1963 utilization of the bases by Morocco”. However, this survey group did not solely concentrate on the development aspects, because it was supposed to receive recommendations and assistance from the Department of Defense, which of course had strong aspirations to maintain the US military presence. Actually, the memorandum clearly states that the conclusions of the survey group had been decided already beforehand. According to it, the recommendations made by the survey group “should point towards the retention of a US presence on the bases after 1963 and terms of utilization which would not preclude post-1963 military use if circumstances later warrant”. At the same time, also the US Ambassador in Morocco was supposed to “seek such arrangements which would permit the continued use of the facilities”.229

In spite of the agreement that the United States had made in order to relinquish the possession of the Air Force bases in Morocco in the last years of the Kennedy Presidency, the US Air Forces still entertained strong hopes to retain the bases at Sidi Slimane and Ben Guerir in a “standby” or “mothball status”. This meant that the US Air Force could use them only to such purposes as Military Air Transport Service operations as well as for training purposes for the forces stationed in Europe. In December 1962, Deputy Secretary of Defense Gilpatric had written to the Under Secretary of State Ball a letter in which he proposed that the US officials should focus on the Nouasseur civil airport project in the discussions regarding aid with the Moroccans and seek to work out arrangements under which the Sidi Slimane and Ben Guerir bases could be retained by US Air Force in some form.230

These hopes were discussed in a meeting at the Department of State on January 7, 1963. In this meeting, William Witman junior, the former director of the Office of Northern African Affairs, stated that one of the problems of the proposal by the Air Force was that it probably generated Moroccan expectations for greater economic assistance at

such time when the Kennedy Administration was planning to reduce the aid funding. This is again a good example of how the question of the bases and the aid policy, particularly the amount of aid, were still constantly handled coequally.

The idea of a standby military presence at the Sidi Slimane and Ben Guerir bases was probably abandoned for good after King Hassan had rejected it during his visit in March 1963. In May 1963, Rusk sent Kennedy a memorandum that also covered the progress of the base conversion projects. The Nouasseur civilian airport project had previously been considered the most cogent one of the three, and at the time, its planning had proceeded the furthest. Apparently, the AID was still prepared to provide assistance to the Sidi Slimane and Ben Guerir conversions, if the Moroccans came up with projects that met the criteria. The AID was willing to advise and assist the Moroccans, but the initiative lied with the Moroccans. This and the fact that the memorandum does not mention anything about the plans concerning retaining the standby status of the two bases indicates that the Kennedy Administration had given up endorsing the idea any further.

In addition, one of the documents describes that the way in which the United States was, in a way, planning to circulate aid funds as part of the economic assistance was evidently directed to the US Air Force via Moroccans. In fall 1963, the Department of State was preparing for the withdrawal from the Air Force bases in Morocco, but there arose problem as some of the Air Force equipment was needed for the Nouasseur civil airport project. In a memorandum written to Roswell Gilpatric in September 1963, Frank K. Sloan, Deputy Assistant Secretary of Defense for Regional Affairs, stressed the fact that arrangements had to be made in order to reimburse the Air Force. The AID had included a sum of 650 thousand dollars for this purpose in the development loan that was under negotiation with the Moroccans for the Nouasseur project, but as the loan had not been confirmed yet, Sloan wished that David Bell of AID would give some

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kind of assurances for the Air Force so that it would not start shipping out the property.  

The document in question and the events behind it are a good example of how the base conversion projects were strongly tied to the military. In this case, the US economic aid was used to buy goods from the Air Force to the Moroccans. Although there was no major policy issue connected to this process of transferring equipment from one owner to another, it seems to have created some amount of aid-related communication inside the Kennedy Administration: In the memorandum, Sloan recommends that in order to get Bell’s assurances, Gilpatric should contact Under Secretary of State George Ball to get his support to persuade Bell to get the Air Force the assurances it required. 

In addition, the future of the Wheelus Air Base in Libya formed a very problematic issue for the Kennedy Administration. It still considered that maintaining Wheelus was one of the most important objectives in Libya. Under the agreement made by the previous administration, the United States paid 10 million dollars as ‘rent’ annually every year during the Kennedy Presidency. After 1964, this annual payment was going to be decreased to one million dollars until 1971, when the term set by the base agreement was supposed to end. 

In spite of the agreement, certain members of the Kennedy Administration had fears, just like some of their colleagues during the Eisenhower Administration, that the Libyans would not need economic aid for long with their newfound oil wealth, and that their willingness to tolerate the US military presence would therefore also soon end. The Libyan Government had apparently continued to justify Wheelus to the opponents solely in terms of the derived economic benefits. On October 15, 1962, Robert Komer wrote to President Kennedy that as the oil revenues were going to deprive the US “economic leverage”, i.e. the possibility to fulfill the Libyan need for income in aid.

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234 Ibid.

form, the United States should seek other arguments for staying in Libya, such as contributing to Libya’s external security. 236

In this memorandum, Komer also mentions how the increasing oil revenues were making the economic aid “unjustifiable”. This can refer either to an image problem should the Kennedy Administration continue to direct aid funds to a well-off nation, or to the willingness of Congress to approve large aid appropriations to Libya. As a solution for this, Komer suggested relying more heavily on military assistance. 237

William P. Bundy, Deputy Assistant Secretary of Defense for Security Affairs, expressed similar views on the weakening role of the economic aid and the consequent need to increase military assistance for Libya in a memorandum to Secretary of Defense Robert McNamara in December 1962. In the memorandum, Bundy also expressed his views on the Libyans as well as on the deals the United States was making with them in order to keep the rights for the Wheelus Air Base. Bundy referred to them in a rather coarse and somewhat racist manner by stating to the Secretary of State that:

… I hate these rug merchant deals (and these particular rug merchants) as much as you do… 238

With this brief statement, Bundy also reveals similar attitudes by McNamara concerning the same subjects. Undoubtedly, there must have been many more of those in the Kennedy Administration who were similarly frustrated by the deal making process and bargaining that combined Wheelus with economic assistance.

The fears that Komer and other members of the Administration had about the Libyans rejecting US aid due to their oil income were completely unnecessary. During the Kennedy Presidency, the Libyans made several requests for additional aid funding; at least three were personally made to President Kennedy. Late in 1963, it also became evident to the Kennedy Administration that the Libyan Government wanted to renegotiate the part of the Wheelus base agreement concerning quid pro quo and particularly the forthcoming reduction. In addition, the Libyans continued to request


237 Ibid.

other forms of economic aid from the United States. It seems that instead of causing the Libyans to lose interest on the US economic assistance, the oil wealth brought about a kind of an inflation: the Libyan Government was willing to accept the US military presence, but in the new economic situation, the Libyans would not settle for a mere one million dollars a year after having received more in poorer times.

From the US standpoint, the Libyan desire to increase the agreed annual payment, as well as other demands for additional assistance, formed a major problem. Although the Kennedy Administration had honored the Wheelus base agreement, it seems to have been very reluctant to increase the annual payment. Similar reluctance had undeniably occurred already during the Eisenhower Administration when the Libyans wanted to change the agreement. However, now the Libyan economic situation was so drastically different that increasing the economic assistance seemed almost completely unjustifiable on economic and development grounds. According to a telegram from the Department of State to the US Embassy in Tripoli dated November 23, 1962, it was the general view of the US Government that Libya was in a strong economic position and had virtually unlimited credit because of the prospective oil revenues. Due to this and in terms of the existing criteria, it was not possible to justify substantial grants or even soft loans. However, certain documents reveal that there remained certain political reasons, or pressures, to maintain a high level of aid funding. Due to all this, it seems that Libya had developed a kind of dilemma for the Kennedy Administration. Although one of the main policy aims on the overall foreign aid policy was to direct more aid to the countries that needed it the most, the military needs resulting from the Cold War situation called for keeping the Libyans happy.

Nevertheless in 1963, it was part of the US objective to limit the aid obligations to Libya to the annual cash grants of one million dollars and to phase out other aid. Instead of announcing this strategy publicly to the Libyans, the Kennedy Administration chose

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a cautious course of action: when the Libyans had already made several approaches in an effort to open negotiations on payments for Wheelus, the Department of State preferred to avoid any kind of substantive reply in connection to aid. The Kennedy Administration started to convince the Libyans that it was in their best interest to have US military presence in their country. Thus the Administration would be able to tie them to the base with cooperation.\textsuperscript{241}

Just like Komer had suggested to President Kennedy in October 1962 before Crown Prince Hassan’s visit, the Kennedy Administration began to emphasize the importance of Wheelus to the Libyan security. Ambassador was instructed in this regard already in August 1963, and President Kennedy used the same argument when he met Libyan Prime Minister Mohieddin Fekini on September 30, 1963. In addition, it was planned that as a part of the US Military Assistance program to Libya, a section of the Wheelus Air Base would be allocated for the use of the Libyan Air Force. Undoubtedly, the aim of these efforts was to try to avoid the problematic payment issue altogether and to shift the attention of the Libyan Government away from the economic aid, which still seemed to be very important to them. However, President Kennedy took a more forward stance during his discussions with Fekini and told that if the Kennedy Administration was told that they must either contribute to Libyan development plan or lose the base, they would choose leaving the country.\textsuperscript{242} It is possible that Kennedy’s statement was a bluff, but nevertheless it was a very stern pronouncement compared to the earlier, more diplomatic and evasive statements. As the issue of the size of the annual base payments was not properly raised until the fall of 1963, it was never properly solved during the Kennedy Presidency.

5.3 New Aid Criteria in Practice

Although several issues remained the same in the US foreign aid policy regarding North Africa when the Eisenhower Administration was replaced by the Kennedy Administration, the shift also introduced something new that was probably most evident

\textsuperscript{241} Telegram from US Embassy in Tripoli to the Department of State, March 2, 1963, Secret; Telegram from the Department of State to the US Embassy in Baida, August 16, 1963 Confidential, Kennedy Library: National Security Files: Countries: Libya.

\textsuperscript{242} Telegram from the Department of State to the Embassy in Baida, August 16, Confidential, Kennedy Library: National Security Files: Countries: Libya; Memorandum from the Assistant Secretary of State for African Affairs (Williams) to Secretary of State Rusk, September 6, 1963, Secret; Telegram from the Department of State to the Embassy in Tripoli, October 7, 1963, Secret, \textit{FRUS, 1961–1963, Volume XXI 1995}, http://history.state.gov/historicaldocuments/frus1961-63v21/ch3.
in the pure development issues. These development issues also continued to have close connection to the aspirations to maintain political and social stability in the target countries. Although they often seemed to be overridden by the needs of the US military, they did not turn into a dead letter. One change in the principles was making the extent of self-help measures of the recipient country as one of the main criteria of the US foreign aid, and this had to be also taken into account in the case of Morocco, Libya and Tunisia.

Tunisia was the only one of the three countries that was able to properly fulfill the self-help criteria. Even though the view of the Regional Operations Conference in August 1961 was that it was doubtful that any of the three North African countries in question would meet the criteria, at the same time many members of the Kennedy Administration were convinced that Tunisia had a lot of potential in this regard. This was due to its long-term development plans. Already in July 1961, Robert W. Komer had drafted a short memorandum connected to the guideline paper on Tunisia. In the memorandum, he praised Tunisia by stating that it was “properly held as one of the bright little spots in the Afro-Arab world” and that it was also “regarded as devoting a very considerable effort to planned development”. According to him, all this suggested that Tunisia should be singled out for a “rather special treatment”. In addition, the guideline paper itself gave a very positive evaluation of the political and social conditions in Tunisia and recommended providing economic assistance on a long-term basis.243

Positive evaluations did not stop there. Few months later, G. Mennen Williams reported to the Department of State that Tunisia was years ahead of the countries he had visited south of Sahara in its experience and trained manpower, and also had “energy, buoyancy, drive and intelligence”. Williams’s analysis was not all praise as he cast some doubts whether the Government of Tunisia truly had the capacity to carry out all of its development plans. However, he did not consider this as a reason for the United States to refuse to support Tunisia. Instead, according to him and his team, Tunisia presented opportunities to the United States that had only few parallels in Africa.244

244 Telegram from the Embassy in Benghazi, Libya to the Department of State, October 20, 1961, Confidential, Kennedy Library: National Security Files: Countries: Tunisia.
With all this and other similar documents, it seems that Tunisia had become Kennedy Administration’s ‘favorite’ in aid matters in North Africa. With Tunisia, there were neither issues related to military bases nor any constant unfounded requests for additional assistance. Instead, the Tunisian Three Year Development plan for 1962–1964 offered an ideal opportunity for the Kennedy Administration to show their new, more development-oriented aid policy. Thanks to this, the US aid per capita for Tunisia was higher than that for Libya or Morocco during the fiscal years 1963 and 1964.245

In addition, the strong interest of the Kennedy Administration to Tunisia’s development is illustrated by the fact that Tunisia was apparently one of only five countries selected to receive long-term, multi-annual US aid. This did not mean that the United States was ready to adopt the Tunisian plan as such or that there was a slight friction between the Kennedy Administration and the Tunisian Government concerning aid issues. Apparently, the AID had always considered the Tunisian development plan overambitious when it came to its schedule. According to a paper prepared by the Bureau of African Affairs concerning the progress of the US aid commitment to Tunisia, the US commitment had been made for the plan and not for a three-year period. Inflation was one of the problems the US officials feared, if the pace of the inflow of foreign funding be too fast, just like in the case of Libya during the Eisenhower Administration.246

Even though the US commitment to provide Tunisia long-term aid was the result of a reasonably sound development plan and the desire to create an example of working cooperation between the United States and a Third World nation, it is impossible to overrule the importance of Tunisian political stability as one of the key factors in the Kennedy Administration’s decision to support Tunisia so generously. Tunisia’s importance to the region had been recognized already during the Eisenhower Administration, and those circumstances had not significantly changed. In addition to this, the Kennedy Administration considered Tunisia’s support crucial if the United States was going to try to develop North Africa along the lines that were friendly to its interests, and valued the support that Bourguiba’s regime generally gave to the US

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interests among the underdeveloped nations in Africa. For the Kennedy Administration, the Tunisian Government had also represented an influential force of moderation in the United Nations even after the Bizerte Crisis.247

If Tunisia represented a positive example of the kind of development and aid relationship that the Kennedy Administration wanted to promote, Libya formed a very problematic target concerning development issues and even political stability. Even though oil income suggested that all major development needs were going to be fulfilled in the near future, the newfound wealth also caused new problems.

By early 1962, Libyan officials had talked a lot about their own five-year development program. However, the US Embassy in Tripoli and the members of the Kennedy Administration in Washington D.C. were unconvinced of that the United States should give it the same kind of economic support as was provided for Tunisia’s program. All views presented in the documents are negative towards committing to give long-term economic assistance for Libya. The quickly approaching fortune of Libya was one reason to turn down the Libyans, but in addition, unlike the Tunisian Government, the Libyans had formulated only a collection of unrelated projects apparently having a marginal development value by March 1962.248

The transition from a poor and isolated desert country to an oil exporter caused major internal social, economic and political challenges, such as the need for complex state institutions and economic bureaucracies. In addition, the Libyan economic and political system was increasingly marked by rampant corruption and favoritism. By 1963, the Kennedy Administration had noticed that many of the Libyan development projects were costly and wasteful and that in many cases, the beneficiaries of these projects were the people close to the King.249

The Kennedy Administration recognized these problems and the threat they caused for the internal stability of Libya. These were important to it due to the continued access to Libyan oil and the Wheelus Air Base. Both are mentioned as objectives in connection to

248 Telegram from the US Embassy in Benghazi to the Department of State, March 15, 1962, Secret, Kennedy Library: National Security Files: Countries: Libya.

For the Kennedy Administration, it was important to make sure that the Libyans put an effort in rectifying the situation in time. President Kennedy repeatedly warned the advisers of King Idris that Libya needed to transform its wealth into “the achievement of progress and prosperity” for the Libyan people, but the Administration did not simply content itself to urge the Libyans to act on their own in this matter. It seems that the Administration wanted to concentrate the AID efforts in Libya to help the Libyan Government to improve their development planning and to train the much needed competent personnel for the Libyan government agencies.\footnote{Telegram from US Embassy in Tripoli to the Department of State, March 2, 1963, Secret, Kennedy Library: National Security Files: Countries: Libya; Rabe 2010, p. 157.} This meant that while the United States was cutting its economic assistance to Libya, the emphasis on allocating the remaining funding shifted to technical assistance, which included sending technical advisers to the Libyan Ministries and starting necessary training programs.

Even though improving the number of trained officials and professionals and reducing corruption and mismanagement were key objectives of the Kennedy Administration, the US officials had also considered the importance of image building in which these kinds of aid programs were ideal. This is revealed in two messages sent by John Wesley Jones, US Ambassador to Libya until December 1962, to the Department of State in March 1962. Jones and the US Mission in Libya made suggestions on how the programs could become as beneficial as possible for the United States. They advised that when the programs were planned, the United States should pay regard to the so-called “enlarged and enlightened middle class leadership group” that included the middle-grade officials, Army officers and individuals from the field of private business. This way, the United States would be able to broaden its political base in Libya. In addition, the US officials in Libya considered that an expanded English language training program, which could be organized by the AID, Peace Corps or the United States Information Service, would be a necessary part of the enlarged technical training and
that it would, at the same time, serve as a “vehicle for wider propagation favorable to
US image”. The object was not anymore to influence only the Libyan Government
but the Libyan people as well.

The change in the nature of the US aid to Libya seems quite logical considering the
change in Libya’s economic conditions as well as the Libyan problems. In addition, it
simultaneously suited the US strategic objectives without seriously conflicting with
Kennedy’s development ideals: if the US aid to Libya was not based on actual self-help,
it certainly was supposed to make it possible for Libyans to take better care of their own
development needs in the future. Nevertheless still in 1963, the Libyan Government was
insufficiently impressed by these US offers that were going concentrated on their main
development problem. After years of receiving massive economic aid, it was evidently
difficult to convince the Libyans that Libya did not need more outside financing but
better planning and technical support.

For the Kennedy Administration, Morocco was somewhere between the ideal Tunisia
and problematic Libya when it came to the issue of development and stability in
connection to aid. Just like Libya, Morocco did not meet the new aid criteria, but
apparently it did not have the same kind of crippling problem concerning corruption as
Libya. Nevertheless, Morocco had major developmental needs and no similar source of
income as Libya. The Kennedy Administration recognized problems such as the
backward agricultural sector that involved three-fifths of the population of Morocco as
well as the lack of connection between traditional subsistence agriculture and foreign-
oriented modern industrial and agricultural sectors. In 1961, the AID also recommended
strengthening the ability of the Moroccan Government to plan and administer
development programs as well as to stimulate and assist industrial investments. This
was important for Morocco to be able to meet the self-help criteria in the near future.
According to the State Department’s review to the US Embassy in Rabat from October
1961, any continuing project that did not concentrate on these priority objectives had to

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252 Telegram from US Embassy in Benghazi to the Department of State (Tripoli A-41), March 15,
1962, Secret; Telegram from US Embassy in Bengazi to the Department of State (Tripoli A-42), March
253 Memorandum from Benjamin H. Read for McGeorge Bundy, September 17, 1963,
Confidential, Kennedy Library: National Security Files: Countries: Libya.
be phased out and all major future aid projects were to be concentrated on the fields of agriculture and industry.\textsuperscript{254}

In addition to these development-related views, the Kennedy Administration apparently considered the Food for Peace Program, or the old PL 480 assistance, to have a special development role in North Africa. This food assistance was a vital part of the US aid to Tunisia and Morocco, whereas Food for Peace assistance to Libya was miniscule: during the fiscal years 1961–1964, both Tunisia and Morocco received food aid in the value of over 135 million dollars when Libya received it only worth of 4.9 million dollars. In addition, the US Mission in Morocco and Ambassador Philip W. Bonsal considered the continued or increased Food for Peace as one part of achieving the long-range US objectives that were connected with Morocco’s development.\textsuperscript{255}

It also seems that at least in one occasion, the Kennedy Administration preferred providing Morocco development-oriented aid in order to get a more positive reaction from the Moroccan public, even though some other form of aid would have been politically preferable. On April 14, 1961, soon after King Hassan had been enthroned, the Department of State sent a telegram to the US Embassy in Morocco that expressed concerns about the fact that although the Kennedy Administration wanted to maintain good relations with the Monarch, the United States might become over-involved with him. At the same time, there was the need to limit Soviet incursion. In this situation, military aid would have been ideal as Hassan had wanted American military equipment for his army already for a long time, and this kind of aid would have supplanted Soviet military aid at the time. However, the telegram mentioned that the Department of State agreed with the previous opinion that was expressed by the US Mission in Morocco, which stated that military aid would give the Moroccan opposition grounds for believing that the United States had sided with the King and against it. As military aid gave an unwanted appearance of too close affiliation with King Hassan, economic aid

\textsuperscript{254} Telegram from the Department of State to the Embassy in Rabat, October 27, 1961, Confidential; Cablegram from the Embassy in Rabat to the Department of State, November 16, 1961, Confidential, Kennedy Library: National Security Files: Morocco.

directed at development purposes as well as food aid were something that were provided to the people of Morocco.  

5.4 Continuously Problematic Congress and the Impact of Separate Policies

Just like President Eisenhower, Kennedy met strong resistance to his foreign aid plans in Congress. Nevertheless, Kennedy achieved also a major victory on this field: he got from Congress the authority to make long-term commitments, which was something that Eisenhower never achieved. Even though Congress approved this, it refused to give Kennedy the lending authority, which would have relieved aid-based lending from the annual appropriations cycle.

Even though the Kennedy Administration was able to raise foreign aid funding significantly, Congress was very critical towards foreign aid and stingy with the funds. In 1961, 1962 and 1963, Congress made sharp cuts in Kennedy’s aid bills. In 1963, Kennedy had originally asked for 4.9 billion dollars, but then the request was eventually scaled down to 4.1 billion dollars. However, Congress voted only for 3 billion dollars. Furthermore, on November 7, 1963, Congress passed Senator Ernest Gruening’s amendment to the PL 480 bill thus blocking aid to any nation “engaging in or preparing for aggressive military efforts” against the United States or its allies. This was a move that was openly criticized by President Kennedy as an effort to politicize foreign aid.

In the same way as during the previous administration, action taken by Congress played an important role when the Kennedy Administration planned assisting Libya, Morocco and Tunisia. Problems caused by the congressional cuts are mentioned in the documents in connection with all three countries. For example, for the fiscal year 1962, the Kennedy Administration planned to give Morocco 30 million dollars in support assistance, but the Congress cut it into 20 million dollars. This meant that the Administration had to try to replace these cuts by presenting an aid package with other forms of assistance, such as Food for Peace aid. Right at the beginning of Kennedy’s term of office, the Administration apparently faced the same kind of situation with Tunisia when it had to put the aid level lower than what was recommended due to


congressional cuts. Thus, they had to find alternative solutions to meet the commitments made by the Eisenhower Administration.\footnote{259} 

In addition, Congress is mentioned in connection with the Moroccan base issue as well as the Libyan oil issue. In both cases, Robert W. Komer stated, in memorandums to President Kennedy in 1963, that even though the Kennedy Administration decided to increase aid to these countries, the fact that Morocco was forcing the US to evacuate its bases in the country and the fact that Libya was soon going to be economically self-reliant due to oil were issues that were going to make Congress reluctant to accept any kind of increase in aid appropriation to them.\footnote{260} 

The fact that the Congress was reluctant to appropriate funds for Libya comes up in the documents often, especially when the issue of aid was being discussed with the Libyan officials. Due to the fact that the US aid was a common topic in the discussions between the US and Libyan officials, the Americans were forced to repeat the fact that Congress would not look kindly at any requests for additional aid to Libya. Many members of the Administration were equally negative towards the idea, but it seems that blaming the Congress was a common way to pass the blame and thus evade responsibility.

The congressional cuts on aid appropriations were a major problem for the Kennedy Administration. In order to appease foreign aid skeptics in Congress, the Kennedy Administration also had to set some preconditions for the execution of aid that limited the US actions in a way that sometimes caused problems in North Africa. The 1961 Foreign Assistance Act that created the AID included special guidelines that extended the 1933 Buy American Act to ensure that agency funds financed goods and services that were of American origin. These provisions appeased the AID skeptics in Congress with domestic interest arguments.\footnote{261} 

In connection to North Africa, the “Buy American” policy comes up only briefly as it is mentioned in only one document related to Tunisia. A telegram from Embassy in Tunis to the Department of State dated October 18, 1962 reported the way in which President Bourguiba had brought up the issue of how certain conditions that US aid was subject to were reducing the value of the aid. He specifically mentioned the “Buy American” policy and the fact that all material aid had to be shipped using American ships. Bourguiba claimed that these conditions were going to reduce the effective amount of aid by forty to fifty per cent, and implied that the United States was using its aid programs to sell American goods at a time when aid “should be motivated solely by the desire to help needy nations”. In addition, Bourguiba felt that these conditions could have had the effect of disrupting the “existing desirable trade patterns”.²⁶²

The account given by President Bourguiba reveals well how this particular US condition was the cause of considerable annoyance for the Tunisians and also seemed to have negative effects on Tunisia’s economy. Even though these Tunisian concerns were reported to Washington D.C., the source material does not indicate that they would have caused any major internal discourse inside the Kennedy Administration. The whole problem was probably a mute issue, as the Administration’s hands were tied by the legislation. The issue was most likely brought up by the Tunisian officials again at a later point of time. This is indicated by a talking paper that was prepared in September 1963 for the future conversations between Secretary of State Rusk and Tunisian Foreign Minister Mongi Slim. The talking paper recommended Rusk to state that the United States was ready to make efforts to ease certain aid procedures in order to expedite the flow of aid, but within the limits set by legal obligations.²⁶³ This reservation indicated that the Kennedy Administration was not ready to try to abandon this policy, as it would have most likely met strong resistance in Congress and would probably have had a lot of support also inside the Administration.

²⁶² Telegram from Embassy in Tunis to the Department of State, October 18, 1962, Confidential, Kennedy Library: National Security Files: Tunisia.
6. The Complex Web of North African Aid Policy

During the 1950s the US aid policy in North Africa appears to have been driven by self-interest. When the Eisenhower Administration discussed and decided about the principal guidelines for assisting Tunisia, Morocco and Libya, the main attention was given to military and geopolitical interests as well as the needs arising from the Cold War developments.

The Cold War meant that preventing the Soviet Union and its allies from gaining influence in North Africa became one of the objectives of the US aid to the three countries. As the Soviet Union had begun to give its own foreign aid at the beginning of the 1950s, economic and technical aid gained a new clear role: They were included in the Cold War weapon arsenal used to prevent the Soviet economic offensive into the needy, newly independent Third World nations. In many ways, during the Eisenhower Administration, the US aid policy in North Africa seemed to have been consistent with the general foreign aid policy that was dominated by the Cold War political and military interests. Development objectives were clearly secondary.

However, it seems that the actual threat of increased Soviet influence was miniscule in North Africa. Nevertheless, the Soviet Union was often used as a ‘bargaining chip’ in the aid negotiations between the United States and the three nations, especially in the cases of Libya and Tunisia. US officials were often frustrated by the way in which these friendly governments were ready to bring up the aid offers made by the Soviet Government in order to raise the level of US aid directed to them.

The new regional power Egypt, or after 1958 the United Arab Republic, was another opponent whose influence the Eisenhower Administration wanted to stop from increasing in North Africa. In Libya’s case, as it was the most vulnerable against Egyptian threat, this resulted in development projects directed against Egypt. It is clear that in 1957 when the Eisenhower Administration decided to provide additional aid to Libya, its actual development needs came second compared to the objective of weakening the Egyptian influence.

In many ways, it was France that became the most problematic external power for the Eisenhower Administration in connection to the North African aid relations. Even
though they were allies, France and the United States had very different views on how to treat Morocco and Tunisia: France still wanted to maintain dominance in the Northern Africa and curb the effects of decolonization, while the United States considered the situation from the Cold War perspective and wanted to build friendlier relations with the young nations that were located on a strategically important region. The French action, such as refraining from paying the promised aid in order to pressure either the Tunisian or Moroccan Government, forced Americans to revise their aid plans as these governments usually turned to them. Nevertheless, neither the Eisenhower nor the Kennedy Administration was ready to completely substitute the French cuts. The aid problem gave the United States a major reason to try to alleviate the troublesome relations between France and its former colonial dependencies.

In connection to Libya, the relations with Great Britain were far smoother during the Eisenhower Administration, in spite of the fact that the British Government’s decision to cut its economic aid to Libya due to economic reasons caused some headache in the Administration. The aid issue was handled in a much more amicable way, and the desire for cooperation was much more positive on both sides.

It is also important to notice that, in the cases of all three countries, the Eisenhower Administration was reluctant to take the role of the primary aid donor. It was originally completely satisfied to the situation in which either France (in Tunisia and Morocco) or Great Britain (in Libya) had the leading role, and only stepped in when the old primary donor was cutting its aid either because of a desire to put pressure on the recipients or for economic reasons. This way, the Eisenhower Administration ensured that none of three countries turned to the Soviet Union for aid.

Due to their long-standing roles as the primary aid donors in the region, Great Britain and France were the only European allies with any major role in the aid-related discussions within the Eisenhower Administration. France continued to have this role during the Kennedy Administration, but other allies were almost completely out of the picture in aid related matters during both presidencies.

The fact that Libya and Morocco had American military installations on their territory gave them an advantage in connection with economic and technical aid. As retaining these installations was considered one of the main objectives in North Africa among the
members of the Eisenhower Administration, the Administration was ready to use aid as an incentive to keep the Governments of Libya and Morocco content. Therefore, the issues of aid and base rights were inexorably connected. In Libya’s case, this explains the fact that it became one of the largest recipients of US aid per capita in the late 1950s. The desire to maintain the Wheelus Air Base in Libya was apparently so strong that the Eisenhower Administration often yielded to the Libyan pressure to increase their economic aid, although they considered that this could have also had detrimental effects on Libya, such as inflation.

The beginning of the Kennedy Presidency did not seem to mark a very sharp shift in the US aid policy in North Africa in spite of the new aid criteria. Warding off the Soviet influence in the region remained as a priority, and the United States did not stop providing extensive support for the countries with US military bases overnight, although Kennedy had criticized this practice before. In order to maintain a military base in Libya, Kennedy honored the agreement made by the Eisenhower Administration that concerned giving the Libyan Government aid in return for base rights. In addition, aid was an important issue when the US officials negotiated about the military bases with the Moroccans.

Nevertheless, Kennedy’s new aid principles were not a mute point when it comes to North Africa. The new criteria did not surpass the old Eisenhower Era practices, but they existed contemporaneously. In the Kennedy Administration, there seemed to have been a clear desire to promote the role of the more progressive aid criteria. Morocco and Libya were nations that did not meet the new criteria, but even in their cases there was the objective, albeit a secondary one, to improve their ability to meet the criteria in the future.

The fact that Tunisia became the biggest per capita recipient of the US aid out of the three during the Kennedy Administration can also be seen as a clear sign of change in the overall aid policy. Tunisia did not have any military bases but it did have a credible long-term development program at the time, and this was something that suited well the Kennedy Administration’s new aid criteria. In this role, it served the Kennedy Administration as a ‘model’ for the other developing nations on how they were able achieve proper progress through cooperation with the West, and also that the United States was not simply looking for military or economic advantages. In other words,
supporting Tunisia and its development program was, in a way, seen as a Cold War public relations opportunity in the Kennedy Administration.

The fact that Libya continued to receive so much US aid after the discovery of oil, and even after they had started exporting it, can easily be seen as an attempt to use economic aid to gain better access or even control over the Libyan oil resources from the part of Eisenhower and Kennedy Administrations. However, this does not appear to have been true for the case. In the late 1950s, the US aid to Libya remained on such a high level mostly due to the presence of the Wheelus Air Base and the development projects that aimed to diminish the Egyptian influence in Libya. From the beginning, the Libyan oil industry was almost completely in the hands of American companies. Many high ranking members of the Eisenhower Administration were actually afraid that the oil income was going to mean the end of the US military presence in Libya as the Libyan Government might no longer need the American aid money.

As the oil income rapidly increased during the Kennedy Administration, the pressure to cut the US aid funding increased. For the Administration, it became extremely difficult to justify providing so much money for the Libyans. On the other hand, oil income increased the pressure to give Libyans more technical aid in the form of technical advisors and education due to the facts that corruption was rampant and there was a dire need for competent officials.

The US aid and support for development were also strongly connected to maintaining regional and national stability in North Africa. Governments of all three countries in question were more or less pro-West, and maintaining this situation on a strategically valuable area was deemed important during both presidencies. Political and economic stability is often mentioned as one of the objectives of the US economic and technical aid, even though there were not any substantive internal threats to the governments of any of the aforementioned nations.

In addition to the US policy, military bases and the changing economic conditions in the recipient countries, the amount of aid eventually sent to North Africa by the United States was shaped by the attitudes in Congress. Both Eisenhower and Kennedy Administrations had to take into consideration the antagonistic attitude towards foreign aid that was often present in Congress. Even though this was usually rather general and
was directed towards all aid, some high-ranking officials suspected that Congress was going to be more negative towards Moroccan aid appropriations due to Morocco’s negativity towards US military presence during both presidencies. In addition, during the Kennedy Administration there were similar concerns in connection with Libya due to its oil income.

The issues that affected the US aid to Libya, Morocco and Tunisia were various and sometimes interconnected. These countries did not form a homogeneous group, and therefore could not have been treated in the same manner in connection to economic and technical aid. The US aid policy in connection to them was marked, more or less, by consistency during the examined time period. The Kennedy Administration brought with it only a small change, but a change nonetheless.
LIST OF ABBREVIATIONS:

AID, Agency for International Development, Sometimes abbreviated USAID
CIA, Central Intelligence Agency
ICA, International Cooperation Administration
MSA, Mutual Security Agency
NATO, North Atlantic Treaty Organization
NSC, National Security Council
OCB, Operations Coordinating Board
SAC, Strategic Air Command
TCA, Technical Cooperation Administration
UAR, the United Arab Republic

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Note: forms of names used in the thesis are the ones used in *Foreign Relations of the United States*–series.

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Anderson, Robert B., United States Secretary of Treasury in 1957–1961
Ball, George W., Under Secretary of State in 1961–1968
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Benkirane, Ahmed, Tunisian Permanent Secretary of the Economic Planning Committee in 1963
Bonsal, Philip W., United States Ambassador to Morocco in 1961–1962
Bouabid, Abderrahim, Moroccan Minister of National Economy in 1956
Bourguiba, Habib, Prime Minister of Tunisia in 1956–1957, President of Tunisia 1957–1987
Bowles, Chester, Under Secretary of State 1961
Bundy, McGeorge, United States National Security Advisor 1961–1966
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Ferguson, John H., United States Ambassador to Morocco 1962–1964
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Gilpatrick, Roswell L., Deputy Secretary of Defense in 1961–1964
Gruening, Ernest, United States Senator from Alaska in 1959–1969
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McNamara, Robert S., United States Secretary of Defense 1961–1968
Melbourne, Roy M., Acting Executive Officer of the Operations Coordinating Board in 1957
Mohamed V, King of Morocco in 1957–1961
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Nixon, Richard M., Vice President of the United States in 1953–1961
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Rand, Joseph, Secretary of the Council on Foreign Affairs in 1960
Richards, James P., Member of the United States House of Representatives from South Carolina in 1933–1957, Special Assistant to the President for the Middle East in 1957–1958

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Truman Harry S., President of the United States in 1945–1953

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