

The Association for Diplomatic Studies and Training  
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Foreign Assistance Series

**SAMUEL H. BUTTERFIELD**

*Interviewed by: Harry Missildine  
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2. "How Foreign Aid Works." Samuel H. Butterfield. 1982.
3. "History of US Development Assistance - Introduction." Excerpt from the introduction. A book in preparation by Samuel H. Butterfield. 1988.

### **KEY WORDS**

agricultural education  
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 disengagement (terminal development loan concept)  
 East Africa  
 education  
 Ethiopia  
 India Club  
 India  
 International Cooperation Administration  
 Kenya  
 Libya  
 mapping  
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oil  
Point 4  
President Kennedy  
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Robert Berenson  
Somalia  
Sudan  
Tanganyika  
technical assistance  
transportation  
US strategic interests  
US national security  
Uganda  
University of East Africa  
water conservation'  
Zaire

## INTERVIEW

*Q: This begins an interview with Samuel H. Butterfield for the United States Foreign Assistance Oral History Program. The interviewer in this case is Harry Missildine; 26-year sports editor for the Spokesman Review in Spokane, Washington, and sometime editorial writer of the Moscow Daily News. In this interview we'll cover Sam's life as a child, as a student and until the time he joined the foreign service. Sam, without asking too many specific questions, taking it chronologically, tell us where you were born, something about your pre-school life and where you went to school.*

### **Family background and early education**

BUTTERFIELD: Thanks, Harry. I was born in 1924 in Moscow, Idaho, where you and I are now talking. I lived here until I went off to be a soldier in World War II in 1943. I returned here in 1946 for a year, then went away and came back again many years later in 1981. I've been functioning professionally from here for the past 16 years.

I'll try to respond to your question so as to indicate how I came to be involved foreign aid. What there was about schooling, about childhood, or about the army or about work experience, family values and that sort of thing that propelled me into the program.

*Q: Well, Sam, starting closer to the beginning: when you were in grades one to twelve what were your favorite subjects?*

BUTTERFIELD: Well my favorite subjects were those that dealt with human behavior: history and English literature, sociology, civics and all that sort of thing; dramatics and

other parts of the arts especially music. It seems to me that there are two or three strands and I just might run through here that will give a perspective. It seems to me from age ten on, which would be in 1934, international matters had been an interest to me. It was never something that just piqued my curiosity; it was always interesting. My father was an avid reader; these things were of interest to him and our dinner conversations ( of course I was primarily listening except when I was complaining about something) would be about public affairs, international things, domestic politics and so forth.

I went to a little Catholic school here in Moscow: now called Saint Mary's School, then called the Ursuline Academy. In the mid-1930s war clouds began to be seen on the horizon and some of them smallish were almost overhead or at least near by. Specifically, the Catholic Church in America and the Catholic sisters at this little school were strongly supportive of Francisco Franco in Spain during the Spanish Civil War. So that was often a subject of discussion in classrooms. Each day we prayed for Franco's success which shows the power of prayers because he did win. So that was something that got my attention.

Then of course in my high school years in the late 1930s and early 1940s, the war in Europe, phony and otherwise and all of that was of great interest to all of us. Partly because we might go, but also because of a sense of injustice and outrage about the events.

Also during the '30s, as I was going through junior high school and high school and into college (1942) I was influenced by America's economic depression in which there were many things that needed attention say from dust bowl to the enormous army of unemployed. And also all sorts of issues of social justice were in the air and those influenced me a great deal. So there were two strands there, one of which was my interest in foreign affairs and the other was my interest in social justice. And thirdly, even in those years, I thought we should do something about these matters. I seemed impelled to be an activist. I ended up going around in circles as a kid but making a fair amount of noise about matters. And so that impulse to take action - not simply to view with alarm - was also part of my character from very early days. We won't discuss whether it was effective. That is a different point.

*Q: Was there anybody other than your father who had a significant influence in developing that attitude? Were there any favorite teachers, people who inspired you or introduced you to ideas?*

BUTTERFIELD: Sure there were. In high school Mr. Miller, a Civics and Economics teacher, put these issues before us. That certainly helped me think about and focus on those things. Of course, at that time the idea of something like foreign aid was simply unheard of; it hadn't been invented. Nobody was talking about it. The New Deal impulse to address these social issues in ways that would change them made a huge impression on me as a boy, as did the literature at the time, the depression literature, which I read.

*Q: The Grapes of Wrath?*

BUTTERFIELD: Yes, stuff like that. All had great influence on me. Let me move on. World War II came and took me overseas.

*Q: Was that before college or during..?*

BUTTERFIELD: I went to college in 1942, the University of Idaho. Let me add one other thing. I also had an ambition to be a leader and make a difference. I was active in school politics and was elected student body president of Moscow High School.

### **Period of military service**

In the war I served in the US for training purposes. I went overseas in 1944 and was stationed in southern Italy until mid-1945. Southern Italy was a Third World place at that time and in some ways it still is. I also served for some months in North Africa, in Algeria.

*Q: In what branch of the service?*

BUTTERFIELD: I was in the Air Force; the ground forces of the Air Force as a radio operator.

The point I want to make is that the exotic nature of those brushes with the traditional societies intrigued me, both the people and the physical environment. Architecture and the ancient olive trees and all of those things were fascinating to me. I also came to appreciate the pain of their poverty.

That exposure heightened my interest in things foreign.

### **College and graduate education**

In 1946, when I came back from the war I went to the University of Idaho again. I had a couple of splendid professors but not any which particularly whetted my appetite for international affairs, which was already whetted.

One day I saw on a bulletin board a notice that Georgetown University's School of Foreign Service was accepting applicants. I said that was something that I should really do; I had the G.I. bill fortunately. so costs could be dealt with. I applied and was accepted in the summer of 1947, went back to DC and went to Georgetown University; finished up there in 1949 with a Bachelor's degree in Foreign Service - the degree they gave. I worked for the next few years while attending Georgetown's night school to get a masters degree in American history and economics I received an MA degree in 1953 at Georgetown's graduate school.

There were a few great professors at Georgetown, some not so great and some inferior. They didn't influence me about foreign affairs except in terms of a mental set, cast of

thought; but I was already interested. It wasn't something they spurred me into. It was something I had been interested in almost all of my life.

*Q: Did you have any minor subjects either at Idaho or Georgetown which may or may not have been allied with your career but were particularly interesting to you?*

BUTTERFIELD: Sure. Several made a difference in my capacity to do USAID's work. First was English composition at Idaho. Writing, trying to write clearly; with faculty under the influence of Hemingway, trying to write short sentences - a fine stylistic objective. The other was statistics, at Georgetown, which I found very valuable. Also a couple of economics courses at the Georgetown Graduate School.

So that's the background on my youthful and academic years and background.

In the government I didn't immediately apply for foreign aid work. The thing that first brought foreign aid to my attention was the thing that brought it to the whole world's attention, namely, President Truman's inaugural address in January of 1949. I was sitting at a bar with a man about my age; we were listening to Truman's inaugural address. After covering 3 goals of his foreign policy he said "Point 4" and went on to speak of the effort to share our technological skills with the world to improve conditions of the people in poor countries. Our reaction at the bar encapsulated national reaction. The guy on my right said, "That'll never work." And I said, "Boy, that's a good idea." And those two positive and negative strands remain strong in America.

*Q: Take us briefly from the time you got your Masters at Georgetown until you first entered government service and how you came to do that.*

BUTTERFIELD: Right. I was in government while getting my Masters degree as it was a way of keeping my wife and two sons fed and paying the rent. I went to graduate school at night. Washington was one of the few places where that could be done in those days. At the time I got my degree I had just joined the marvelous government organization called BOB, Bureau of the Budget, now called OMB, Office of Management and Budget. I was taken in to be part of the international Division of the Bureau of the Budget. I worked there for five years from 1953 to 1958.

### **Work with the international division of the Bureau of the Budget - 1953-58**

*Q: What were your specific duties?*

BUTTERFIELD: I was what was called a Budget Examiner for the Department of State and for the international organizations which were beginning to grow and flourish: UN, WHO, FAO, all of that. As part of work there I did a lot of traveling around Africa and Latin America. In 1958 a really significant trip took place in terms of my interest joining the AID agency (then ICA). In 1958 people were beginning to talk about a large aid package for India. The Bureau of the Budget sent two of us, a man named James Barry

(who remained in the Bureau of the Budget for many years, a very effective public servant) and I, to India to try to talk to the US and Indian government people about India. Where India was going, the package of assistance, what the pluses and minuses might be. That was an extraordinary experience. Jim and I put together a report that was widely read in the Bureau of the Budget. Our Embassy in New Delhi liked the paper. I don't know whether anybody else read it. It addressed what the Bureau of the Budget ought to think about and do with regard to the India aid package.

By mid-1958 it was clear to me that I was more interested in spending than in saving, so I left the Bureau of the Budget and joined the International Cooperation Administration (ICA)

I want to talk a bit more about the Bureau of the Budget because it was very significant in my intellectual growth. The Bureau of the Budget was a place where for a young man had access to persons and issues that were extraordinary. It was one of the luckiest days of my life that I was invited in and spent five years there. Five years that were clearly an education in public administration, a subject which I knew nothing about before. Also my assignments offered opportunities for instructive international field trips.

One of the early trips that I went on as a very junior officer in the Budget Bureau was with a man name Hart Perry, who was one of our bright executive level officers in the international division. I was sent to carry his bag - his briefcase - and take the notes on a trip in 1956 that went around Africa. We went to Libya, Ethiopia, Kenya, Southern Rhodesia (now Zimbabwe), South Africa, Belgian Congo, Gold Coast (now Ghana) and Tunisia. We also stopped in London coming and going to talk with the colonial office. That was really an extraordinary experience and it particularly whetted my appetite to learn more about Africa. This was when the pro-independence nationalist movements were beginning to emerge. It was a period of great strife but also great optimism that Africa would proceed along constructive lines and conditions would be much improved, etc. At the same time a book came out by John Gunther called *Inside Africa*. I found, when we got back, that his conclusions were like our conclusions. He touched on most of the places that we went to.

That trip really fired up my interest in being abroad. I began to see how the foreign service worked - the embassy, the US Information Agency, the Point 4 agency - what they did and what their lives were like. It seemed to me a terribly interesting way to spend many years.

That whole period in the Bureau of the Budget was very influential in my thinking about specific career moves. If you go back to the strands that I mentioned, i.e. interest in international affairs from an early age; interest in social justice; the impulse to take action; and my ambition to make a difference and be something of a leader, if I could, in that work; all were woven together by the foreign aid program. I think that is why, when the invitation came to join that program, it took me all of two or three seconds to say, "Yes."

*Q: What were the purposes and functions of the Foreign Aid program which you addressed or which influenced what you did, and secondly the question of your own role in those things and your capacity to function effectively as a Foreign Aid officer?*

### **Joined ICA as a desk officer for Berlin - 1958**

BUTTERFIELD: I joined the Foreign Aid program in 1958, when the Agency was known as the International Cooperation Administration. It had a couple or three more years to run, but it was a fully formed and vigorously functioning agency. Within a few years, of course, it turned into AID, the Agency for International Development.

My first role in ICA was as a desk officer for Berlin, and my second was as desk officer for Libya. Berlin's function and main purpose was to support the growth and vigor of democratic and economic institutions in Berlin and there's not really much to be said about that in terms of the long-term interest in the work with Third World countries.

### **Served as ICA desk officer for Libya - Europe and Africa Bureau - 1959-60**

The second assignment was something else. Libya, at that time, was a monarchy under King Idriss. The country was of high strategic value because of Wheelus Air Base, which the Air Force considered important because it was rain-free, storm-free most of the year for US Air Force planes and personnel. With large parts of Europe then behind the Iron Curtain, this base on the southern shore of the Mediterranean Sea was important.

As a result of the what is known as the Richards' Mission of the mid-1950s, after Congressman or perhaps ex-Congressman Richards, which visited a number of Third World countries which appeared to be of immediate strategic value to the United States, particularly in the Middle East and North Africa, foreign aid agreements were concluded to ward-off any tempting Soviet ties and confirm ties to the US

These aid agreements were not designed from the perspective of development needs, financial needs or anything like that. They were essentially based on providing support for what were then considered, and in many cases still are considered, valuable allies of the United States in the Middle East and North Africa, primarily in the Muslim world.

Libya was an absolute monarchy. It had Wheelus Air Base. We provided an annual grant-in-aid, really rental for the Air Base of, I believe, \$10 million.

The Richards' Mission, by the way, had taken place early in Eisenhower's presidency, and at that time, Libya was a very poor country with a couple of major cities, a few towns, and a colorful Bedouin population. Throughout my relatively brief time I spent on the Libya desk I found the Bedouins to be of particular interest. A considerable amount of our program was addressed to them.



At the time that I became desk officer, which was in 1959, several international oil companies had, after years of exploration, struck oil in Libya. As a consequence, prospects for Libya's finances, governmental revenues and trade changed overnight and substantially. This caused ICA to review the bidding on Libya from the standpoint whether ICA could phase out the capital aid as soon as possible because it clearly was no longer needed. Of course the program never had been based on need and the effort failed. However, I think it's worth thinking about and we gave a good "college try." ICA had a legitimate interest in finding resources to use elsewhere, because ICA never felt that it had -- nor did USAID -- all the resources that it needed to do the job that it had been given.

The late Joel Bernstein and Richard Cashin were asked at that time to analyze the situation in Libya for ICA and to prepare some proposals for how we might proceed to disengage as an aid agency. They wrote a paper which proposed a \$25 million Terminal Development Loan, a very interesting idea. It would have provided basically a cash transfer or at least a resource transfer in one way or another which, rather than a grant, would be a loan, which therefore eventually would return to the US Treasury and which would provide in one exchange two and a half times what they had ever received at one time before.

As the desk officer, I put this proposal forward in our budget plans -- that is, the Europe and Africa Bureau's budget plans -- for review by the Agency. There was quite a lot of discussion. I was the defender of the proposal at the oral review and it went quite well. People seemed to find it quite interesting. The proposal was then sent out to the mission and the mission put the proposition to the Embassy. This was before it was ever discussed with the Libyans because this was something that had to be sorted out carefully. I was sent out as desk officer to help with the discussions with the Embassy.

One point I should remember: We had changed the amount to \$50 million -- we had put forward the proposal as a \$50 million Terminal Development Loan. I may have misspoken when I said Bernstein and Cashin proposed \$25 million. They may have proposed \$50 million. This would be the equivalent of five years of grant aid all at once, but on a loan basis, withdrawing in effect as a major aid player in Libya to put our attention and resources elsewhere.

American Ambassador to Libya, John Jones, thought the idea had merit and thought the analysis was absolutely right on, but also thought that it probably wouldn't fly. He thought that it was possible that if it were made a grant, rather than a loan, that it might work. With that plan in mind I returned to Washington and the whole discussion took on a different tack, namely, to see whether it could be a Terminal Development grant instead of a loan. In any event, ultimately it did not make it. The plan never made it to the Libyans so far as I know. I believe that the State Department, which obviously had a substantial interest, as coordinator of aid, military and security interests, felt that it just ought not be put to the Libyans. But it was an creative idea which was worth considering.

Libya was an interesting country. I had an opportunity as desk officer in '59 and '60 to spend quite a few months in the country on several different occasions, including a few weeks, six weeks, perhaps two months, as the Acting Deputy Director of the aid mission. During those trips, one of which was really an assessment trip orienting myself and assessing the utility of our various aid projects, as Washington visitors are wont to do, on the basis of very little fundamental knowledge of the country.

I did travel about the country and found it fascinating. Several interesting projects tried to utilize some of the old techniques of water conservation which had fallen into disuse for reasons no one was quite sure of.

The projects' purpose was to maximize the benefits from Libya's infrequent rainfall:

- to spread it in ways that would increase agricultural production, particularly food grains
- to store it, in centuries-old cisterns that had simply been filled up with sand and various other things.

With this effort went attention to community development. US Community Development Officers in Libya worked with the rural communities, with the Bedouin and with other residents in or near the rural communities to increase agricultural production, educational opportunities and the like.

On my return to Washington from this orientation and inspection trip I remained impressed with what I had seen. It seemed to me contrary to the generally skeptical, verging into cynical, view of many Washington officers that this was, if not Operation Rathole, not of much value. My view was that the things that had been put together were imaginative, fundamentally well-reasoned and beginning to show success. I felt the brighter assessment ought to be known. So I put together a relatively brief paper on the subject and sent it up to our Assistant Administrator, Mark Gordon.

Mark had been the prior mission director in Libya. He'd not asked me to do the paper and was pleased with its conclusion. He sent it on to Doctor FitzGerald (Doctor Fitz) ICA's Deputy Director for Operations. Dr. Fitz also found it interesting.

I think it was as a result of that paper that I was later sent out as Acting Deputy Director to the mission for a couple of months.

I also should mention that I had another major career benefit from the terminal development loan concept. In fact, it may turn out that I was the principal beneficiary of the whole proposal. I made the presentation of the idea to the policy planning group under Jim Grant in the budget planning sessions. The Deputy Administrator of ICA, Len Saccio, was in attendance just to see how the process was going. When I had finished and the discussion had finished and I was leaving the witness' seat to go sit against the back wall as, my modest position called for, Len Saccio picked up the microphone and said, "Very

nice presentation, Mr. Butterfield.” That was pleasing to hear. Mark Gordon heard it also. I was told quite clearly a few months later when I moved on to take a more substantial position that Saccio's comment made me an almost sure bet to be promoted and to take over the position of Chief of the then new East and South Africa Division. So much for merit promotion and careful evaluation of personnel talents.

Before leaving Libya I want to mention a particularly memorable figure in the aid mission to Libya. He came in for a relatively short time, maybe a year and a half, a man named Robert Berenson. He was not a career man at all. Nephew of the celebrated art critic Bernard Berenson, he came from very wealthy connections in Europe, the Schiaparelli family, into which he had married. He was a bon vivant, a man with great talent for wheeling and dealing and for putting together agreements with people who were difficult to reach agreements with. I saw him in this latter role a number of times while he was director of the Libya mission and I was his acting deputy. He was extraordinarily effective. He was one of those sort of happy warriors. At a time when issues about the use of Wheelus by the military and the use of Wheelus' facilities for non-military civilians in Libya were being debated with the government and the military, Bob Berenson used this Happy Warrior capacity to keep people's spirits up and to bring about a satisfactory conclusion to the whole thing.

He came back to Washington for awhile after his stint in Libya. He'd been the Mission Director in Yugoslavia before, and then left the agency. Sadly, he developed leukemia and died within a few years. He was one of the fun leaders to work with.

### **Observations on decolonization in Africa**

My promotion to be Chief of the new East and South Africa Division was unexpected and gratifying. In the late 1950s decolonization in Africa was proceeding at an increasing pace. I want to turn to that and to the years which I spent working on African development.

By 1960 decolonization was moving rapidly in eastern Africa. Italian and British Somaliland became independent and merged into Somalia in 1960. Kenya, Uganda and Tanganyika (British East Africa) were each moving toward independence, with a great deal of hope at that time that they would maintain the East African regional education, transport and financial institutions which served them all. The Sudan had become independent in 1956. Ethiopia, of course, had never been a colony, although it was conquered by Italy before World War II and held for a few years.

In Sudan we had a substantial program already under way. Ethiopia was one of the countries with which the early Point 4 program began work in the early 1950s. One prominent project in agricultural education was carried out there by Oklahoma State University for a number of years beginning in the early 1950s.

The general policy thrust and guidance, as I recall, was for those of us in the geographic bureaus and our colleagues in the field to develop a more significant U. S. aid presence in

Africa. Modest things already were under way and had been for several years, but of course there was much to be done and much that the US could do.

One question was, what was appropriate, in terms of our collaborating with and supplementing, rather than substituting for the withdrawing colonial governments. So that throughout the years of my involvement we moved with great care to ensure that we were perceived to be doing constructive things in constructive ways both by the local governments that were emerging and by the colonial governments that were getting ready to depart. Lots of consultations took place in London and in Africa with regard to that matter.

Regional initiatives in education were highly regarded by all donors. For example, in the University of East Africa, which was centered at Makerere College in Uganda (with branches in Kenya and in Tanganyika) and our assistance was welcome. The reverse flow of mature African students to the United States for specialized training was also welcomed. Those were among the things that we put emphasis on. Agricultural production was addressed everywhere and efforts began in other areas, such as community development.

In Ethiopia and the Sudan we had more muscular programs. In Ethiopia we were very active in both agricultural education and agricultural production, with a major mapping program and with activities in other fields. Most of these programs involved both American experts, often from land-grant universities, working in the countries both doing and training, and provision of American scholarships for nationals of those countries from the fields involved plus on-the-ground training under the American advisory teams. (See Haven North's oral history contribution for a better review of our program in Ethiopia during the 1950s.

In the Sudan, my recollection again is that we were involved particularly in transportation and communication and also in development of a capacity to provide mapping surveys of the country. Much of the work in both countries involved the areas around the Nile River, which flows the length of the Sudan.

One of the Nile's two main branches, the Blue Nile, flows out of Ethiopia's highlands into the Sudan.

In the Sudan and Ethiopia in particular we had substantial aid missions at that time (probably called Point 4 missions). In the rest of East Africa we had very few people in each country, partly out of deference to the colonial powers and partly because the programs were modest. I believe that the Somalia program staff also was larger than in Kenya and Uganda or in the Central African Republic to the south.

This was a very stimulating time for me as a relative new-comer to the foreign aid program. I was beginning to get a sense of how program planning and program operations were carried out and I was beginning to learn how to supervise staff and provide leadership.

## **The Kennedy Administration and the beginning of USAID - 1960-61**

With the election of President Kennedy in late 1960, the whole operation of foreign aid in Africa entered a new era. His inaugural speech in January 1961 set a different tone:

- “Ask not what your country can do for you, but ask what you can do for your country,”
- The United States’ responsibility for providing aid to developing countries -- not because of security needs primarily, but because it is right.

Kennedy created a great deal of excitement, stimulation and optimism in the foreign aid community. Perhaps a new day was here. Perhaps we could become a more effective provider of assistance to developing countries.

In 1961 we had excessive expectations and certainly an excessive confidence that the things we could do would really be of enormous benefit and in a relatively short time. But that is an assessment with hindsight. At that time, there was a great lift in morale. Also there was a bit of anxiety among the staff of ICA as we watched the new organizational plans began to unfold and as the Agency for International Development came into existence.

AID brought together the ICA and the Development Loan Fund, so that there was a substantial change in focus, both in technical assistance, which had been ICA’s principal program by a very large margin and in capital assistance, which had been the DLF’s focus. In those days, Milliken and Rostow’s important book entitled, *The Stages of Economic Growth - A Democratic Manifesto*, was widely viewed as the basic document and somewhat of a road guide to development.

The operational conclusion drawn from the book was that development could be effectively assisted, primarily through judicious use of capital, with technical training accompanying it. So the agency’s principal attention in Latin American, South Asia and East Asia where this approach seemed to fit turned to capital aid. Major policy attention and major attention of the principal officers was focused on capital assistance. The India Club and the Alliance for Progress in Latin America, were major examples. We all welcomed the shift. We thought it was a great idea. To the extent that it seemed sensible and not crowding too far the colonial powers who were withdrawing, we tried to apply the change to eastern and southern Africa. Proposals were in the mill for capital assistance at a substantially higher level than ever before and technical assistance also at a more vigorous and higher level.

### **Observations on the motivations for foreign assistance**

*Q: How was the aid program to be presented to the Congress, particularly the aspect of whether we justified this on the basis of foreign aid as a program of long-term benefit to the United States and something which was consistent with and impelled by our sense of*

*doing the right thing or whether it would be presented primarily as an element of our shorter-term national security, vis a vis the Soviet bloc?*

BUTTERFIELD: Needless to say, the national security argument won out, as it won out any time this issue came up for the next three decades. Despite Kennedy's assertion that we should proceed to assist development of the underdeveloped world because it was the right thing to do, his program presentation to the Congress was based primarily on foreign aid as an element of our national security Cold War strategy to ensure that the Third World, that which was not Communist, remained non-Communist and, wherever possible, aligned with the West.

I must say, in this regard, that it probably was the most realistic approach to take with the Congress. That and the parallel advantage within the Executive branch for a program which could be included under the umbrella of national security, were both reasons why we always tried first to demonstrate that our elements in the Agency's program were shown to be of value to the national security interests of the United States.

The main point was a conviction that this would sell better to the Congress, which was probably correct. We also assumed that it would sell best to the American people, which I think was not correct. Certainly, the public opinion polls over the decades, and my experience in talking with groups around the country suggest that the American people by and large favor development assistance because, as Kennedy said, it is the right thing to do.

The great Swedish sociologist and economist Gunnar Myrdal's observations were roughly the same. He commented that our disinclination to argue for what is "right" reflected some sort of an innate American mistrust of our own best instincts. That in, if we can't prove a hard, almost short-term, or at least near-term, economic or security benefit from an otherwise altruistic activity, we are embarrassed to promote the effort as something that ought to be undertaken as a national initiative simply because it is a good thing to do.

Whatever our public rationale, I think that the most of us in the Agency have been in it over the years because we felt that our work is both useful and good. We felt that development would make the world better and in the long run the United States would benefit. The trade patterns emerging in the last 20 years demonstrate the validity of that point. But the thing that powered us then and powers us now is that we felt millions and millions of people, perhaps billions, needed to have more healthful, informed lives of greater opportunity. It was our privilege and our responsibility to do what we could to try to bring that about.

I want to say a few things now about the transition period in 1961 and 1962, as AID came in with new leadership and ICA staff phased over into new regional bureaus.

I had earlier commented on the conclusion that almost everyone came to, of the necessity of using the national security umbrella to legitimize of the US Foreign Aid program rather

than legitimizing it in terms of its essential value to our long term trade interests or even more fundamentally, the simple justice of such a program.

All of that background to a vignette which has remained in my memory from those early days in the Kennedy administration in 1961.

The agency was reviewing its program with persons representing the Kennedy Administration. We were sorting out country by country the rationale for our assistance as the basis for the preparation for the annual Congressional presentation documents. In one meeting, Oliver Sause, the Program Officer or perhaps at that point the Deputy Assistant Administrator for the Africa Bureau (whose deputy at that time was Haven North, later to be Deputy Assistant Administrator of the Africa Bureau and now running this Oral History Program) was chairing a country by country review of Africa. Among those in attendance was the distinguished academician Max Milliken, who was the coauthor with Rostow of the very influential book entitled *Stages of Economic Growth*, which did not particularly make a national security argument but considered development as inherently a good thing.

We were discussing the Horn of Africa, that is, Ethiopia and Somalia. We had finished with the discussion of Ethiopia and its security interests which were fairly self-evident with signal stations and that sort of thing in Ethiopia. We had moved on then to Somalia, and that presented a somewhat larger problem. What was our security interest in Somalia in 1961? We tried this argument and that argument, poked around at both British Somaliland and Italian Somaliland, and at Somalia in general to see what we could find. We were not finding much. Then Max Milliken leaned back in his chair, looked over his shoulder at a map showing the Horn of Africa and the Arabian Peninsula across the Red Sea and began intoning the following: "Somalia is..." and everybody listened with great attention. "Somalia is a...", he paused momentarily, "a dagger, ah, a dagger pointed, pointed, ah,..." he paused a little further. His eyes swept the map of the region and he concluded, "ah, it's a dagger pointed at the heart of the Ar Rub al Khali." Everybody was impressed. We all looked carefully at the map. Then we all burst into laughter, as did Max Milliken. The Ar Rub al Khali was a wasteland, the empty center of the Arabian Peninsula, and as such, had little or no security value for anybody, and nobody would want to try to seize it for any purpose whatsoever. In any event, we all found that very funny, and the meeting proceeded on with various things, and we did, in fact, find a security interest for Somalia; I have forgotten what it is now, but I also thought it, while funny, rather depressing, because here was this great forward-thinking mind, and he had, without losing a step, bought into the security argument and was helping to develop it. But in any event, perhaps in the long run it did have merit, because as we all know, Somalia did become a Cold War pawn, as did Ethiopia.

Some months later, when AID had been established as the new agency, Mr. Frank Coffin (later Judge Coffin) its Deputy Administrator for Planning, chaired a reprogramming group. A number of members of the group became the core of the first program planning office in AID, which has long been known as PPC, Program and Policy Coordination. I

was detailed to the group for a short time by Africa Bureau Chief Mark Gordon. Coffin was a very able man. He promoted a lot of discussion. The exercise involved much work both in Washington and in the field. A number of us, after working on the first review with Coffin, were then sent off by our bureaus to the field to work with certain missions on reassessment and reprogramming.

When all this was over I could not see much that was fundamentally different from before that exercise began. There was the never-ending effort, which continued throughout the life of the Agency to avoid scatteration in technical assistance work and to have fewer, larger projects. The management of small and large projects require essentially the same amount of paper work and time. So personnel were always our principal constraint rather than money, fewer, larger projects always seemed better to program managers than more smaller projects.

Probably the main value of the whole exercise was that when it was over the Agency for International Development said, well, that was its program. It took the results as its own program. That in itself was of great value.

The new energy that was created by the Presidential leadership and the birth of the Agency for International Development caused the sights of everyone in the former ICA and the former DLF (now all part of AID) to be raised. Plans were bigger. The time horizon for planning was a little longer. The use of foreign aid as a Presidential tool of statecraft, and for the Secretary of State as a tool of statecraft, particularly for the emerging countries of Africa, was a very substantial change. While it was also viewed as a big element of statecraft for other areas, such as Latin America and certainly South Asia, the change in attention to Africa was probably the most dramatic shift.

I will use as an example then Tanganyika. Tanganyika's new president, Julius Nyerere, made his first official visit to Washington in 1961 or early 1962. Nyerere was one of the African leaders for whom there were great expectations for level-headed leadership inspired by a vision of an important future and important changes on the African continent.

Nyerere was received by President Kennedy, of course, and at the close of his visit President Kennedy pledged to aid Tanganyika's development. The pledge was in the amount of \$10 million. It was to assist in the capital development of Tanganyika. The pledge was to be additional to the ongoing technical assistance program. In 1962 \$10 million was a substantial amount of money for a tropical African country.

There were similar large commitments made in other parts of Africa; I'm less familiar with them because they were not in my area of attention. Nigeria is one example, as is Ghana. At the outset, people hoped a great deal could be done in Zaire, or then the Belgian Congo.



The new Africa Bureau, and I wish to comment on the new Africa Bureau in the Agency for International Development, was blessed with two strong leaders in its first years: one was Ed Hutchinson, who was the Assistant Administrator for Africa, and the other was Art McLaughlin, his Deputy. I had known Hutch, as he was called, in the Bureau of the Budget, when we were both in the International Division there. (Hutch had been the number two man in that organization.) These two men provided good leadership for some years. They were steady, analytical and highly professional. Art McLaughlin died on the job, regrettably. I think he died of overwork -- he simply worked himself to death, constantly traveling or wrestling with large problems and challenges in Washington. So the early leaders of the Agency for International Development in Africa were excellent, and we were lucky to have had them.

My own role was essentially the same as it had been in ICA, that is instead of being a Division Chief, I was called an Office Director; the countries were the same, the job was much like that of a Division Chief, but the office of Eastern and Southern Africa had a somewhat larger stage, a bit more prominence.

The prospects for major AID undertakings in a number of these countries was far higher with the larger loan resources available than it had been under ICA. Under ICA Tanganyika had received modest technical assistance as part of British East Africa. As the Development Loan Fund moved into AID, policy changes were taking place. The \$10,000,000 pledge from President Kennedy to President Nyerere exemplifies the change.

One small aspect of the changes was that the Office Director's job had become a "super grade" position. The incumbent had to draw that grade from the Agency's limited pool of super grades. The pool was nearly dry. So that situation created the occasion for me to do what I had long planned. I transferred to the Foreign Service as a FSO-2, which under the system at that time was the equivalent of the initial supergrade level of GS-16. The change started me on the path to an overseas assignment.

I want to comment on one important and costly organizational change that accompanied the shift from ICA to AID. The new agency put the preponderant authority in the geographic bureaus and largely broke up and scattered to the bureaus the technical staff from ICA's strong technical offices, such as the Office of Food, Office of Health and Office of Education. The background was that during the ICA's life (and its predecessors FOA, MSA, TCA) strong technical offices responded world-wide to country missions' requests for help in planning and carrying out technical activities. There had long been a struggle between, on the one hand, the geographic offices of ICA along with the country mission directors and, on the other hand, the technical offices and sometimes the technical staffs and the contract staffs carrying out technical assistance activities.

In the past the technical offices had prevailed a great deal of the time on issues such as when a project should be terminated or when it should be revised to do something different, to be reformed, and so forth. Those victories had not pleased those who lost. So when AID was put together, the power and personnel balance was shifted dramatically to

the geographic offices and the mission directors. Those of us who were in the geographic offices and our mission directors liked the new arrangement. There was no question now as to who was in charge. We thought this would give the agency more flexibility and a better response to situations. To some extent it did. But we also paid a very large price for it. The critical mass of technical talent which could plan and review and offer better ideas and reach into the best thinking of the technical areas within the United States, that critical mass disappeared. The locus for retraining and technical improvement of personnel disappeared. Within a few years the consequences began to show in the quality of some of our technical assistance personnel in the bureaus and in the field. They simply were no longer up to speed regarding the cutting edge of their technical fields. I mean the whole state of the art of research and technology.

The Agency never resolved that problem, though it has tried very hard from time to time. I pitched in hard on one of the tries some years later, in the emergence of the Technical Assistance Bureau under Joel Bernstein in 1969. It's one of those organizational problems for which there is no perfect solution. But I have long felt that the breakup of ICA's technical offices without proper attention to maintaining a critical mass of technical talent as a central leaders in the technical fields, did a substantial disservice to the Agency's program over the next decade or two. Our reputation declined as to the quality of our thinking became viewed as not up to date. Once that happens, you have to work very hard to get the reputation back up. Later on we'll get into TAB's efforts to do that.

I want to take a moment to talk about an exchange of views with regard to the Congo aid program, which was part of my geographic responsibility in 1961 and 1962. A major training program which was being considered for the Congo. The proposal was to bring several hundred Congolese each year to the United States for training up to and including university level. The training was needed to provide technical skills and administrative skills that were badly needed and had not been provided by Belgium as the former colonial power. Belgium had deliberately not trained native Congolese to handle professional tasks as a matter of maintaining control. They had trained the Congolese well on sub-professional technical tasks, but not at the post-secondary level. of the university, or certainly never at what we call a graduate level. So a major program was to get underway to train Congolese at US universities, and I suppose higher level technical schools, to try to change that whole thing.

I was called over to the White House by another former Bureau of the Budget colleague, Ralph Dungan, who was President Kennedy's principal staff officer on foreign aid and a number of other international things. And Ralph was very concerned with this Congo proposal. He thought there was a serious error in it. He considered it unwise to bring the Congolese to the United States. He felt they should be trained in Africa at African educational institutions.

At the meeting with Ralph we went over the pros and cons. When the meeting was concluded, the Congo Desk Officer (Ralph Holben I believe) and I went back to AID and basically did nothing about Ralph's important reservations. I thought that Ralph's idea was

a bad one, given the political purposes involved and the probable delays and probable inability to mounting a substantial training program using already overburdened African educational institutions. If I reported it at all, I reported it quietly, and basically let it drop. Ralph later wrote in a note -- I can't recall where I saw it, but I did see it -- that with regard to the matter he had tried to make a change, introduce a different idea into AID's plans, but he "probably did not raise it at a high enough level in AID." Well, that wasn't the problem. The problem was that he had given it to someone whom he assumed would handle it in the proper way, and he'd been let down. I had violated a basic public administration principle by putting my personal view ahead of the proper examination of the issue. I regret that and want it to be a matter of record. I don't know if Ralph was right, but he had a major point, and it ought to have been taken up as a major challenge to the project proposal.

### **Participation in the orientation program for Operation Tycoon appointees**

In the early spring of 1962, Will Muller, then Somalia Mission Director, came to Washington to replace me as the Director of the Office of Eastern and Southern Africa. And in the late spring of 1962 I entered a training program that was remarkable. It ought to be part of USAID's record. It was generally referred to as Operation Tycoon. It was Kennedy's effort to bring in new blood to the agency at senior levels to make it both better managed and make it appear to be better managed. It was the most ambitious of many efforts that different administrations have made to respond to the continuing opposition of many persons throughout the United States and on Capitol Hill to having AID missions abroad. Operation Tycoon was an effort, and a successful effort, to bring into AID talented persons from corporations, labor unions, agricultural cooperatives, and other institutions. The thirty or forty men had good track records and were expected to take over missions as directors or deputy directors, to take over Washington offices in some cases, and so forth,. Perhaps the most distinguished person to come out of Operation Tycoon was Bob Nooter, who completed his career with AID as our Deputy Administrator.

Operation Tycoon, after all the selection was done, put on a great training program for these new persons. Included in the training were two "ringers" from the agency. I was one. Ken Kugel, an old friend from the Bureau of the Budget, was another. The training program was planned by two persons, and administered by two persons. One was Dick Barrett, another former Bureau of the Budget colleague, and the late Ethel Grant, the extremely able wife of our great, now late, alumnus, Jim Grant, who concluded his career and his life as the head of UNICEF.

In any event, this training program was really well designed; it provided many cross-cultural perspectives, lots of interesting insights and explanations of the US Foreign Aid program and of our international policy in general. It lasted for a number of weeks. It included the wives and older children of all of the participants in the orientation. My wife Lois got a tremendous amount out of it, as did the other wives. Our two oldest children, then 10 and 12, also gained from it in terms of some intellectual preparation for the

substantial changes that were going to take place in their young lives. But I think the effect on Lois was most profound. She was a very happy suburban wife and mother, and what would be today a “soccer mom.” She was not really interested in changing all that; it was satisfying, it was interesting, and she correctly felt that her role as mother and homemaker and community contributor in schools and PTAs and so forth was extremely valuable. But she was inspired by this orientation program, and just swung over to having a strong desire to go abroad, to be a good representative of the United States, and to help make foreign aid teams work well. And throughout her decades as a wife of a senior AID officer, Mission Director, and Deputy Mission Director, she was just a great team player. She was a very valuable unpaid asset to the United States government. She was a team builder among Americans, she was a skilled hostess, she was a goodwill volunteer and friend with host country nationals, and she took on the administrative load of overseeing the packing and moving and the running of the household. She points out to me that I disappeared when the packing began; I went on to the next post. But I could focus on the program and all that goes with that, knowing that these other very important matters were in good hands. One consequence of this experience was that when we first returned to Washington in 1969, she was asked by the Training Office of AID to help orient families going overseas for the first time as to what the realities were and what the opportunities were and how to get hold of the ropes. Lois enjoyed doing this for a number of years.

Operation Tycoon provided an extraordinary training program; one which has never been duplicated by the Agency. It paid dividends in terms of morale and comprehension and quick moves into the harness.

Following the completion of the orientation, all new AID officers and we two re-grooved AID officers were invited to the Rose Garden to meet President Kennedy and to receive his blessing and good wishes for a successful operation overseas. That was a memorable event. I think such a send-off never occurred again. We all left there charging hard, determined to do the best we could for our country in our service overseas.

### **Assignment as Deputy Director and later Mission Director in USAID/Tanzania - 1962**

In August of 1962, Lois, our three children and I left the US for Tanganyika, now Tanzania. I served there as the Deputy Director of the USAID mission. Mark Gordon, the former head of the Europe and Africa Bureau in ICA was the Mission Director. After Mark transferred at the end of 1962, I served as Acting Director for some months until Al Loren came down from Ethiopia to take over as Mission Director. In April 1964 I transferred to the Sudan as the Deputy Director to that much-larger mission. In January 1966 I returned to Tanzania as the Mission Director, serving there until the middle of 1968.

At Haven North's suggestion, I will treat the Tanganyika-Tanzania tours, which were broken by a tour in the Sudan, as a single story, since there were no important differences

between the two periods, and it will simply hang together and be more effectively presented as that. Subsequently I'll briefly deal with our tour in the Sudan.

Lois and I and our three children, Charles, then aged 12; Stephen, then aged 10, and Susan, then aged five, arrived in Dar es Salaam in August of 1962. Dar es Salaam was at that time a charming little city set on the edge of the Indian Ocean, with a beautiful harbor, which was small enough to be easily viewed from any spot on its shore line. The area had wonderful sandy beaches. It was a notable year, of course, for us. One of the big events was the granting of independence to Tanganyika by Britain. It occurred, as I recall, on New Year's Eve, 1962. The official year of independence is 1963. It was a colorful ceremony, as one would expect, in the soccer stadium at Dar es Salaam. At midnight all the lights suddenly went out with the Union Jack flying. When the lights came back on the flag of Tanganyika flew in its place. It was a time of great elation. The fireworks display was awesome. It was an event that my family and I will always remember.

The government of was then (as Tanzania remained for many years) suspicious of foreign interests. My impression is that all East African groups were suspicious of foreigners, and that included each other, that is, persons who were not of their own tribal group or neighbors. They were not an open, happy, welcoming group of people. The government was very suspicious particularly of the US and the Russians, less so of the Chinese. They wished the Cold War to stay away from their shores. To try to insure that this happened, the government put a clamp on the number of AID staff who could be in that country, if they were not specifically requested by the government of Tanzania. That is, the mission headquarters staff on the US side, which was necessary to back up the technical assistance advisors and their families, was limited, much to our surprise. We hadn't expected this to happen. Initially we were limited to, as I recall, five Americans. The point of this was to try to assure that we weren't filled with intelligence officers and spies of various sorts, as they would view them.

But the effect of this, because of the program documents, the planning, the negotiations, the general support that needed to be given to effective technical assistance efforts, and even more so, to the preparation of capital assistance applications, hampered our ability to provide the aid which they requested from us and particularly, was slowing down our implementation of President Kennedy's \$10,000,000 capital assistance commitment to President Nyerere. We groused about this, and tried to get it changed, and agitated in a quiet, diplomatic way to see if we couldn't get an increase, but there was simply no give on this subject. However, while I was Acting Director, early in 1963, the President of Tanzania, Julius Nyerere, attended an event, the precise nature of which I forget at a fairgrounds in Tanzania. There US Ambassador William Leonhart brought together all of the American technical assistance staff and the American AID staff and families. Ambassador William Leonhart took President Nyerere around the group, introducing each of the families to him; it was a grand thing to do, and when they came to Lois and me (as the Acting Director of the AID mission) President Nyerere, in his genial manner, said, "Well, we need more aid, that's what we need, more aid." Though not having been briefed on this or thought about it, I responded, "Well, Mr. President, more aid would be

possible and more quickly if we had more shoulders at the wheel." President Nyerere laughed, he seemed delighted at that response. Ambassador Leonhart smiled and made some genial remark in support. President Nyerere moved on. We all proceeded on about our evening's business, and then the next day went on with our work, of course, because this was just a passing moment.

However, it turned out that the following morning, President Nyerere had phoned the foreign ministry and told them to increase our numbers by two or three, which was a 50 percent increase in the headquarters staff, and we were quite delighted with that. So it shows that the occasionally personal diplomacy can pay off.

And with that increase in our central staff, which remained, of course, still very small, our ability to provide additional assistance was substantially improved.

Our program emphasis in Tanzania was, as one would expect, on rural activities such as agricultural production, agricultural technology, and agricultural education. One of our big efforts, and I think a largely successful one, was assisting the development of an agricultural college at a town called Morogoro, about a hundred miles inland from Dar es Salaam. That was done through technical assistance provided by the University of West Virginia. The University of West Virginia took their responsibilities very seriously. It was a project with great meaning to the home campus in Morgantown, West Virginia, as well as with great meaning to Tanzania. Community development was also a major area, plus a number of small capital projects such as town water supplies and rural roads. We had almost nothing in the capital city of Dar es Salaam as far as I recall, except health. Something of political significance was technical assistance to the refugee and resistance groups from the white-settler-dominated southern part of Africa, especially the Rhodesias, South Africa and Mozambique. We had a special project with the African American Institute to provide a technical training center in an area of Dar es Salaam called Kurasini. The project went on for many years and was well received by the Tanzanians and resistance groups. I think it was an important link between the revolutionary forces and the United States. The revolutionary forces eventually succeeded in gaining power in their home countries.

I had an interesting conversation with the Minister of Agriculture, Derek Brycesen in 1963, when the selection of a source for technical assistance for the prospective agricultural college was being discussed, sorted out and negotiated. The University of West Virginia and one or two others whose names I do not recall were considered for this contract, and the University of West Virginia seemed to be the preferred contractor. Brycesen, himself an agriculturalist who knew the educational institutions of the United States, complained to me that the University of West Virginia was not one of the big names in American education. He said "Why can't we have Cornell?", and I think he mentioned one other major school with a strong agricultural faculty. I replied, "Well, it is possible to have Cornell if they are interested, but one thing you must remember is that everybody wants Cornell, and as a consequence, Cornell is hard put to provide both sustained attention and able technical persons for all of the projects around the world

which want to have them. The University of West Virginia will be concentrating primarily on this project, and you will get their full attention and their best people, or their very good people, and if they're not very good, you can get a replacement quickly, and I think you'll find it more satisfying.”

The University of West Virginia did indeed devote serious attention to its commitment to help Tanzania develop an agricultural college at the town of Morogoro, and over the years performed well, sometimes a little better than others, sometimes not as well, but overall, a very good performance and very valuable for Tanzania.

The Kennedy commitment to Nyerere, \$10,000,000 dollars worth of loan projects in Tanzania, did indeed prove difficult to implement rapidly. There were no major projects that we would finance such as the import of commodities which we were not prepared to do there, nor to finance the construction of state-owned enterprises such as tire manufacturing or that sort of thing, which the Tanzanians were keen to do, to develop their industrial base. We were not prepared to support those projects, and I think wisely so. We were prepared to support projects in education, and we helped finance several structures at the new University College of Dar es Salaam, which at that point was part of the University of East Africa. Unfortunately, the University was breaking up, but in any event, we did finance projects there, and they were useful and well-received, and we also financed a number of small capital projects in the inland, rural towns of Tanzania, such as electrification, water supply projects, rural roads, which again were useful, and which along with the University College of Dar es Salaam and the agricultural college at Morogoro eventually provided the \$10,000,000 as President Kennedy had promised.

Overall, in the 1960's our program was aimed at helping Tanzanian programs to increase agricultural production, technical education, agricultural education, community development, plus a number of small capital projects to try to implement President Kennedy's commitment, which we did. They were good projects; they were aimed primarily at helping the rural engine of growth of Tanzania, which was the small farm family. Tanzania's record was quite extraordinary based on these small producers, which resulted in an agricultural growth of about 6% a year during the late '50s and early '60s and mid-60s. There was a great deal of promise there. However, Tanzania began to move in the direction of “African Socialism.” African Socialism was an appealing vision; it grew out of Nyerere's and others exposure in UK universities to the Fabian socialist theories which were dominating British economic thinking at that time in British government and certainly in the British academic circles, and in many circles in the United States and elsewhere. The concept offered a democratic alternative to the collectivization experiments of the Communist countries of Eastern Europe. It was to be a democratic process, not an authoritarian process. Nyerere provided African intellectual/political leadership for the concept. As part of it, rural people would be brought together into villages from their scattered rural homes on small farms. There educational facilities, water supply and health facilities could be provided at a cost that the government could afford.

However, the approach and vision were flawed. They were based on an assumption that Africa traditionally had much collective work as the basis for its production, and I think that does not stand up to historical scrutiny. In the near-term at that time, as I mentioned, the small farmer in Tanzania was a real agricultural entrepreneur. The men and women responded to market opportunities, and as a result, the increase in rural production every year was high, and this was sustained for some years. But they were independent, and they were not together in villages. It is true that it was difficult to provide health services or education. Those things mattered greatly to Nyerere. Indeed, they mattered to all Africans. So in any event, African Socialism was evolving in Tanzanian thinking, and it went along with the then very popular thinking of centralized planning, with top-down directives to efficiently use the scarce resources and foreign aid that would be available to Tanzania. This approach has much to commend it from the standpoint of avoiding major errors and, in a macros assessment, efficiently using those financial resources that are available.

All this thinking culminated in what was known as the Arusha Declaration of May 1966. It was unveiled at the town of Arusha, in northern Tanzania. Arusha was a pretty little place then, right on the edge of the major game parks of Serengeti and Ngorongoro Crater plus other game parks. The Arusha Declaration sought to replace the private market arrangements of the Tanzanian farmers with a collective state-owned monopoly arrangement for the purchasing of agricultural products and the supply of agricultural inputs. That was another fundamental flaw in Nyerere's vision for his centrally-planned African Socialism.

As the Arusha Declaration was implemented over the following months, some ugly aspects began to appear. Most of the farm families were very unhappy about moving from their individual farms into villages, and they resisted, and where they were slow in adapting to this, the strong arms of the state or the single political party were brought to bear to speed up their acceptance. Similarly, the very efficient Asian rural traders, who were shopkeepers, sellers of commodities to the rural Africans, in many cases buyers of African output, and lenders of money, with the pluses and minuses of that, were to be replaced by State-managed input provision and agricultural output purchasing, generally referred to as co-ops. They really were not cooperatives in the true sense of the word, they were simply state monopolies.

They worked badly. The agricultural inputs that the farmers needed did not get to the farmers when they needed them, very often the outputs from the farmers were not purchased at market prices. The prices of inputs increased, the quality of services decreased and their cost increased. All in all, agricultural production of Tanzania began to drop, proportionately at first, and then absolutely over the years ahead. A very sad thing.

When I left Tanzania in summer of 1968, all this was getting underway, but the direction was clear, and the probability of failure was becoming apparent.



One of the unfortunate aspects of the Arusha Declaration and the follow-on changes in government operations was that it blew apart what had promised to be, and indeed over some years had proved to be, a useful program of community development. I'm sure the readers are familiar with the program in many countries, in which facilitators work with communities in ways the communities themselves wish to improve their abilities to provide themselves with education, health information, health facilities, agricultural production and distribution arrangements that fit their situation.

We had three community development advisors--not always the same advisors--each year over a number of years. They were good advisors. The program was useful. Our principal C.D. advisor during this time was Boyd Faulkner, a Native American from Idaho, the same state from which I come. He was a graduate of the University of Idaho, the institution which I also attended. He was one of the most effective technical advisors in terms of gaining the trust and confidence, and deservedly so, of the host country nationals that I've ever seen. He was simply extraordinary and this was particularly remarkable because Tanzania's relationship with the United States was then, as it was for many years, prickly, to say the least.

I will take a moment here to say something about Boyd Faulkner, whom I enjoyed personally, but also whom I admired enormously professionally. He had his office in the Tanzanian Ministry, and in an up-country training facility at Arusha. He was both a trusted member of the USAID team and a trusted member of the Tanzanian government's community development team. His quiet manner, his straight but gentle talk, his recognition that essentially it was their program and not his, were the qualities that were invaluable in his role as a technical advisor to that government. He wrote policy speeches for the Vice President of Tanzania, who was very interested in community development and under whose hand that ministry was operating. I have never worked with anyone better in terms of relationship and the substance of what he did, and I've worked with very few as good.

A little side point: we wanted to give him an award, and yet because of the prickly relationship between Tanzania and the United States, we weren't sure that if the United States government gave Boyd Faulkner an award in recognition of his work there, that it might make Tanzanians suspicious of Faulkner, and might do more harm than good. But we felt that the award was deserved. So we proceeded to provide him with--I forget whether it was a superior honor award or a meritorious honor award--and we presented it to him in a quiet ceremony in Ambassador John Burns's office. Happily it didn't seem to hurt him, and he was pleased.

Now let me turn from that very cheery piece back to the prickly relationships between Tanzania and the United States. Nyerere's UN positions irritated the US and the UK both; third-world solidarity and public pronouncements against, for example, our Vietnam policy, were continuing sources of friction, so in general, getting proposals for any major increase in assistance to Tanzania reviewed sympathetically in Washington was a substantial task, and seldom successful. On the other hand, people did admire Nyerere,

and properly so, because he was incorruptible and non-Communist. We could say, "With friends like that, who needs enemies," in the United Nations sphere. But in any event, the US did want to maintain an aid program, and links with Tanzania, and for good reason-- Nyerere was very influential, and he in fact had done one major geopolitical move which clearly pulled the West's chestnuts out of a fire that they could not damp down, and that was in regard to the island of Zanzibar.

In the early 60's, after an anti-Arab revolution on Zanzibar, it was dominated by a pro-Communist, African-led government which had replaced an Arabic-led government. It was a supply depot in effect; arms and intelligence and training for many revolutionaries against the existing governments in eastern Africa. The East Germans were very active as the principal source of assistance to Zanzibar. Nyerere was deeply concerned about this threat to his country and to the stability of eastern Africa in general. Through a combination of diplomacy and, I would guess, quiet threats of force, he convinced enough of the Zanzibaris that they ought to tie in with Tanganyika, that they finally did. Thus the country of Tanzania (Tanganyika and Zanzibar) came into existence. That was a very significant thing geopolitically. It was of benefit to the West. While official memories can be pretty short (asking "what have you done for us lately"), the impact of Nyerere's statecraft carried over into continuing respect for him and an interest in continuing some development and political ties with him.

It's interesting to note that on the island of Zanzibar we had a US consulate throughout these years. The young officers who were sent there as the US Consul were of the very highest order. They included Frank Carlucci, Thomas Pickering and Jack Matlock -- all now included among America's most distinguished diplomats.

Zanzibar was an exotic place, and we had several little AID projects put together by the US Consul in cooperation with the USAID mission in Dar es Salaam. A pleasant little aspect of this small presence was the trip to Zanzibar from the mainland. The short water crossing was done not by boat, but by an ancient little airplane. It was a biplane with a wooden frame covered with canvas. It was extremely slow, but it was certainly stable. The chairs in which we sat were made of wicker. It was something out of movies of the early 1930's, and it was fun. Everybody enjoyed that little trip. An area in which Nyerere kept sticking his finger in the eyes of Western governments, had to do with their southern Africa policies. Tanzania sheltered freedom fighters from Mozambique, South Africa and Southern Rhodesia (now Zimbabwe). The West was disinclined to work with Nyerere because of his continuing criticism of western tolerance of repressive white regimes and yet inclined to work with Nyerere, because the West certainly wanted to have good operating contacts with freedom fighters and to be seen as quietly in support of freedom efforts. Nyerere was important to those freedom efforts, and it was important for the United States, therefore, to be in continuing contact and to have as friendly as possible general relationships with Nyerere.

Zambia was independent at that time. Its President was Kenneth Kaunda, another African socialist. Tanzania wanted to provide Zambia with an alternative route to the sea for its

copper exports, which were the major source of its national income, certainly of governmental income. At that time it was forced to send its exports via Southern Rhodesia and Mozambique. Because they could cut off their exports of copper at any time, this gave them a powerful weapon against Zambia and its position with regard to freedom fighters. Kaunda and Nyerere wanted to build a road or a railroad or both between the copper belt and Zambian towns at one end, and the port of Dar es Salaam in Tanzania at the other end. The United States would not put up the money, or even recommend that the World Bank put up funding for the railroad, but it did indicate some interest in the possibility of helping upgrade road links between the two countries and help with the development of what became known as the Tanzam (Tanzania-Zambia) Highway.

To put together the analytical justification for such a large project, Stanford Research Institute was hired by AID and they sent a team of men out to Tanzania to do a survey of the road areas; not the alignment as an engineering thing, although that was dealt with, but primarily the economic justification for providing a road of this nature, particularly through Tanzania's Southern Highlands, and then, of course, far into Zambia. The Stanford Research Institute (SRI)'s report turned out to be, not surprisingly, favorable, and the team was invited to present its findings to President Nyerere and his cabinet one afternoon. I was invited to sit beside President Nyerere while the presentation was going on, a nice honor which I very much appreciated. I think we all had a little trouble understanding the technical jargon of the SRI's experts and their report, but they were all enthusiastic about the conclusions.

My friend and colleague Art Howard, who was the head of the USAID office in Zambia, and I both felt that this project was important and that it ought to go forward. When the SRI report was received in Washington, it was, I think, considered quite OKAY, but for whatever reason the Africa Bureau decided that this wasn't a project they were prepared to go forward with. The staff were listing various factors leading toward that conclusion. So Art and I engaged in a delaying campaign with Washington. We pointed out in cable messages that there were still things that were unclear and needed to be looked at, that there were several possibilities and various additional points that needed to be studied. We felt that if we could keep it alive for awhile by these various devices, that the project would eventually be approved for political reasons, even if some of the technical officers felt that there were more economically sound projects available elsewhere for the use of Africa Bureau's capital allotment.

Art and I were successful. Within not too many months, the Tanzam road project was approved and it went forward. The road was built. It did indeed provide a valuable alternative avenue for traffic. However, a road is not a very good thing to carry copper. The maintenance costs are enormous, because trucks that carry copper really pound the road. There remained a strong argument for a railroad. The Chinese, who were quite willing to do things for political reasons without need for a thorough cost-benefit justification, committed themselves to build the Tanzam Railway. Their task was made easier by the fact that the line of rail was pretty much the same as the line of the highway.

So the Tanzam Road's major contribution over the short run was to facilitate the development of the Chinese Communist project by providing an avenue for carrying the materials for the railroad's construction. Art and I had certainly not raised that as an argument. I think that in the long run, the road proved useful, although I have not followed up to determine if indeed that is the case.

I want to add a couple of sentences about Ambassador Korry and the regional emphasis. I skipped rather quickly over his purpose and report. My recollection is that in 1966, maybe 1965, Ambassador Korry was then Ambassador to Ethiopia, or perhaps just finishing a tour as Ambassador to Ethiopia. He was a flamboyant person, never without an opinion, and very able and bright. He put forward the proposition--which is a constant desire of many people going back into the '50s and extending on up into the 90's--that we limit our major program attention to countries in which we have a hard interest. He made a tour, at the request of either State or AID or both, to various countries in Africa and came out with the proposal that the AID presence be phased down in most countries in Africa. Our assistance to those minor countries would be focused on what was clearly a good idea, that is, to increase the links between them, the regionalism of the continent. The US would concentrate substantial aid and personnel in a few countries, such as Nigeria and Ethiopia.

Well, I won't repeat what I said about it, but it didn't work. It was predictable that it wouldn't work, but nevertheless, it took a lot of time to fail almost everywhere, required much wheel-spinning by the US Mission Directors in Kenya, Uganda, and Tanzania, for example (this was continent-wide, but I know the East African efforts to try to make this turn into something). We would meet almost monthly to try to devise ways in which our programs would work more closely together, in which we could see projects that would be of value to two or three of the countries, and which we could help the countries to promote. We brought in the mission representatives from Somalia and from Ethiopia. It was pretty much to no avail, and it was pursued at great cost in terms of our scarce time and the matters within each of our own countries which were important and needed our attention. The vision of regional links to strengthen the African development has great appeal, but the practicality of it has yet to be demonstrated. In East Africa, for example, they had the University of East Africa, which was centered at Makerere University in Uganda, and as the other countries began to become independent, and even before, branches were being established in Kenya and in Tanzania. That regional university split apart, and that was sad. Makerere University was a fine institution, and there was a great loss when the University of East Africa in effect disappeared. The same thing happened to the East African Railway and to the East African Airlines. The East African Currency Board and the Common Market foundered. Competition and the jealousy between Tanzania and Kenya and between Kenya and Uganda were strong and rising. While the idea of USAID facilitating international ties between the countries of Africa was a good idea, perhaps even a great idea, its time never came. That completes my review of Tanganyika and Tanzania.

#### **A brief assignment in Sudan - 1964-1965**

Now I'm going to jump back in time to 1964 and 1965 and very briefly speak to the months in which I served as Deputy Mission Director in the Sudan. I was transferred in March 1964 to a very different mission and a very different scene than in Dar es Salaam. Dar es Salaam was a little mission, Sudan was big. It was firmly established organizationally, the personnel level was high, and it was an interesting opportunity for me to serve as the number two in a big mission and see how that worked. It was somewhat like my experience as the Acting Deputy Director in Libya some years earlier. Sudan was in a political turmoil when I arrived. That calmed down. There were the same conflicts as today, except that radical Islamic fundamentalism was muted. There was strong anti-American agitation throughout the country in the aftermath of the French and Belgian and US military actions in and around the eastern Congo, which as I recall were to rescue missionaries and other Western nationals. This exercise, which was indeed a violation of Zaire's sovereignty, caused outrage throughout much of Africa, and there were frequent demonstrations against the embassy, where USAID was housed, by a combination of Communist and Egyptian support groups in the Sudan.

So it was, you might say, a lively period, in which you often had to check out what the prospects were for a peaceful day before heading to work or before heading home from work. The Sudanese themselves, individually, were hospitable and very pleasant to be with. I think most AID personnel have enjoyed their contacts with the Sudanese nationals, both those from the North and from the South. Ours was a big program for Africa. There was a lot of work in transportation, telecommunications, cartography, education, and agriculture. We made a major push to justify a large commodity import program to generate local currency for construction projects. I believe that failed. Then as now, there was a lot of political attention to the Sudan and the political interests had a very substantial impact on the size of the program and most of the activities that we undertook. I remember at that time, AID provided cover for CIA personnel and as often happened, this was not without its price. Fortunately a change in government policy caused that to decline, if not disappear entirely.

I was in the Sudan for the balance of 1964 and for through 1965, but I had little impact on the program, simply because I hadn't been there long enough really to have what I would consider a responsible view on the activities which we were undertaking. Most projects seemed quite useful. Sudan didn't have a profound impact on me, although I did enjoy it. I will report on advice given to me as I was getting ready to return to Tanzania as Mission Director.

I learned that I was to return to Tanzania as the Director of the Mission toward the end of 1965. The Sudan mission was being inspected then by two former Mission Directors. I asked the senior of the two what advice he would give me as a fledgling Mission Director. He very kindly wished me well, and then he said, "As soon as possible, make the AID program in Tanzania Sam Butterfield's program." I think it was bad advice. The advice reflects an ego-gratifying approach. It was considered by many a fashionable thing to bring new initiatives by a strong Mission Director. It has caused a great deal of

premature project cancellation and staff transfers and not-well-thought-out project formulation. It is an approach which does not promote effective policy dialogue with host country officials or with the USAID mission staff. You ought not go in as the great man or the great woman who's going to really turn things around. It's not helpful to needed continuity. It often looked good in Washington. It's interesting to do it. But the result of making the AID program a particular Mission Director's program generally is not beneficial.

### **Attended the State Department's Senior Seminar - 1968**

So much for my relatively brief contact with the Sudan. I am going to be equally brief with regard to my year's assignment following my completion of the tour as Mission Director in Tanzania. I was selected, and very honored to be so selected, as the USAID member of the Eleventh Senior Seminar on Foreign Policy. The Senior Seminar is the US Government's most prestigious training program for officers in international programs. The seminar lasted from the summer of 1968 until the summer of 1969. It was a very interesting year. It acquainted me with many facets of American society. My colleagues were outstanding officers from many agencies and the military services. I benefitted greatly from the association with them.

But regarding this oral history, the main thing I want to note is that my special study topic (everyone chose a study topic in the Senior Seminar), was educational technology. That leads into my next long assignment, which focused on the technical substance of the agency's work.

### **A senior position in USAID Technical Assistance Bureau - 1969**

Let me comment about the development of my work capacities during my years in Africa. The six-plus years in the field had provided me with:

- stronger management and leadership skills,
- successful experience in "development diplomacy" and
- confidence that I could successfully juggle the numerous balls that a Mission Director must keep in the air.

But as to the substance of development, my knowledge of theory and comparative practice remained thin. My assignment (after the Senior Seminar) to the then-new Technical Assistance Bureau, served in many ways to remedy that deficiency. My years there significantly improved my substantive understanding of development in both theory and practice. The assignment there lasted from 1969 until 1976. It was my longest assignment in the Agency. It was a continuing seminar for me. I am grateful to have had the opportunity to serve in a position of great interest despite my strange title of "Associate Assistant Administrator for Technical Assistance".

Joel Bernstein, the Assistant Administrator for Technical Assistance (AA/TA), was the head of this new bureau. He was the choice of Dr. John Hannah had come in as President

Nixon's new head of AID Hannah was a very constructive man who understood the fundamental significance of technical assistance. Joel Bernstein also was also an extraordinary man. He was strong, determined, and imaginative. TAB was lucky to have him as its leader. He was widely respected by the regional bureaus' leadership and staff, by the AID missions and by everyone who came in contact with him. Also, significantly, I should say, he was highly respected by the academic community. Those academicians who didn't know him when he first took over TAB came to have great respect for him. This was especially apparent after the focus of Technical Assistance Bureau became clear and its utility for both the academic community and for A.I.D. and especially for improving collaboration between the two became clear.

Unfortunately, after about four years heading TAB, Joel Bernstein contracted cancer, resigned his position and died within a very few years. It was a great loss.

Curtis Farrar succeeded Joel as AA/TA. Curt had been Joel's Deputy and served ably as his successor.

The basic purpose of the Technical Assistance Bureau was to improve the quality of AID's technical assistance. It was intended to fill A.I.D.'s unmet need for a strong and respected technical capacity to support AID missions, to provide consultants as needed, to sponsor outside research and to provide research findings as AID needed. The new bureau was asked to fill the vacuum for this type of resource that had existed throughout the '60s following the disbanding of ICA's strong technical offices in favor of A.I.D.'s decentralized regional bureau management of not only the geographic and economic aspects but the technical aspects of foreign aid.

TAB also was to provide American universities, particularly the "land-grant" universities, with a more visible and bureaucratically stronger locus for their contacts with A.I.D. There had been much complaint during the '60s that it was hard to find an interested ear in the AID agency for technical innovations, for discussion of the role of science and technology. During the 1960s there was no strong, organized process by which new findings could be given institutional attention within A.I.D.

TAB was to cause an increase in respect among development agencies for A.I.D.'s technical capacity. Such respect had declined significantly during the 1960's, both in the US academic community, which had important ramifications for the respect of the Congress for AID's capacity, and among other donors such as the World Bank and our economic assistance partners in Europe and Japan.

TAB was to ensure that AID would be more responsive to the interests of the external research community, and would be better able to draw them effectively into AID's work. One of my principal responsibilities, especially between 1969 and 1972, was to help identify and bring into the Technical Assistance Bureau outstanding technical leaders, primarily but not entirely from the academic community. Some also transferred from AID missions and the regional bureaus. Bringing staff in from the AID missions and the

regional bureaus was sometimes tricky, because we had to avoid appearing to raid the talent pool of the regional bureaus and the AID missions. The search for talent was vigorous and time consuming. We tried to be as thorough as we could in checking out prospective leaders among their peers, both inside and outside the Agency.

At its inception TAB had acquired several small central staff units which had remained after the abolition of the large technical offices when AID was established in 1961. There were some able persons among them: an example is Erven Long, who continued as the skillful manager of the agency's research process for decades. To augment these units and provide visible leadership we sought high quality experts in agriculture, health, population, education, public administration, cutting edge technology such as satellite imagery, and urban development.

We tried to provide new personnel arrangements, such as dual appointments of personnel on university campuses and in AID, so that they could move back and forth over several decades refreshing themselves in academe, maintaining their links and careers with their universities, and yet being active in AID's ongoing technical improvements and work in the field missions.

Necessarily, we increased substantially the number of contracts and grants with universities. A number of these were controversial but valuable. They increased the Agency's capacity to provide better technology in many fields because we identified and systematized the information on improved technology, and we provided access to persons who were very good in these fields.

One of TAB's constant struggles was with the Civil Service Commission (CSC) to obtain senior grades for personnel which we needed; certainly grades at the top of the standard system and "super grade" positions for these professional leaders who commanded substantial salaries and considerable prestige outside of AID. Such technical leaders generally were not managers of large undertakings (in terms of personnel or finances), which the Civil Service Commission felt was required if you were going to be a senior government employee. The legitimacy of senior grades for professional leadership only was something we never effectively sold to the Civil Service Commission. Constantly we could only utilize a limited number of special grades for those purposes. We were always short handed, which certainly hampered our ability to be effective.

One of the things that the Technical Assistance Bureau wanted to avoid yielding to was the temptation of trying to be all things to all people. The "scatteration" which is possible and indeed, predictable, from responding to all requests for technical help and all opportunities for technical improvement was one that we needed to avoid. So we devoted much energy in the first years (1970 and 1971) to identifying the most crucial aspects of the technical constraints on development that could be significantly improved via technical assistance. The questions were what were the principal problems in each sector, and what did an agency with limited resources need to do to address them effectively. What became known as the "key problem" process was put in operation. I had the great



pleasure of managing that process in general, and working with the best minds that we could find to identify what were the two, three, or possibly four key problems for AID's R & D work in each technical sector such as agriculture, health, or education.

The great benefit of the "Key Problem" process for me was that I participated in a multi-disciplinary strategic seminar for about two years. It was an extraordinary period of exposure to the best technical ideas and vigorous debate about big ideas. While a great deal of learning took place for me throughout my years with TAB, those first two years in which the Key Problem Process proceeded and completed its work were certainly the time in which my learning curve was the steepest.

One of the Key Problems that was widely acclaimed was the economics of health. It focused on the true costs and benefits of public health programs. This was an unmet need of major significance. Without convincing economic analysis of health options or of health versus industry, 3rd World planners and leaders were likely to and did skimp on budget and personnel allocations for public health programs.

The Economics of Health is an example one of the foci of the Key Problem Process. The KPA analysis began by asking what were the principal impediments to development progress in each sector. Sometimes they were problems with the sector's traditions, as in the absence of attention to non-formal education. Often they were problems with perceptions, as in the case of the economics of health. Several were found to be the lack of administrative skills among sector professionals.

I should make clear that we were not identifying these as the areas in which all missions should focus, because that would be clearly unwise. But we identified these as areas that ought to be considered by most of the missions as they reviewed and planned their support of host country development. TAB would develop the capacity to provide effective technical support for the missions and for the regional bureaus to draw on, to help them work with their host country colleagues. In a number of areas (education is one and health is another) the findings were provocative in the best sense. The World Bank and other donors took up those key problems as areas to pay substantial attention to during the latter part of the 70's, and probably into the 80's.

TAB tried diligently to provide high quality technical support for field missions. Our staff were available for field mission support. A great deal of stable travel took place. As an example, Dr. Gilbert Corey, who today is one of my neighbors in Moscow, Idaho, is an outstanding agricultural engineer. He was the Agency leader in small farm technical assistance for irrigation programs. He was in great demand. Dr. Corey provided keen insights and was highly valued by both regional bureaus and by their AID missions. He probably spent more time abroad than he did at his headquarters desk.

One of the significant aspects of agricultural research in which TAB and especially Assistant Administrator Bernstein were involved was ensuring financial support and program advice to the growing network of international research centers. In the early

1970s the World Bank and other donors established the Consultative Group on International Agricultural Research (CGIAR). These international centers came to prominence because of the “Green Revolution” which resulted from research at centers in Mexico and the Philippines into high yielding grains particularly wheat, maize, rice, potatoes, livestock, special environments (semi-arid, tropics). The Technical Assistance Bureau pushed hard and successfully for the Agency to pony up a substantial amount of money every year for the support of the International Agricultural Research Centers. I think these centers have been and will be of great value. Without a strong bureaucratic entity like TAB, the important American financial support would not have been forthcoming.

One of TAB’s continuing struggles (as for its successor, the Bureau of Science and Technology) was with the geographic bureaus for shares of the financial pie. This is a natural thing in any organization. It is nothing which one should be surprised exists. Since we were the “new boy on the block” we had to prove our case with good arguments. That was, of course, good for us in terms of thinking through what we wanted to do. We pushed our arguments for increasing the resources of the Technical Assistance Bureau each year, and most years, under Joel Bernstein's leadership and subsequently Curt Farrar's direction, we were effective in doing that.

TAB worked hard to mesh its gears with the gears of the regional bureaus, and one of the ways in which we tried particularly to do that was to assign a senior officer of TAB as the coordinator with one or another of the regional bureaus. I was the coordinator with the Africa Bureau. The role proved useful. There were some rocky times and somewhat uneven aspects to it, as one would expect, but I attended the Africa Bureau staff meetings and kept in close touch with the office directors and the other principal officers of the bureau, and tried to ensure that both we responded to them and that when we needed their technical personnel to help us think through one or another technical problem or aspect, that they contributed with us. The same approach was taken by others with the Latin America Bureau and with the Asia Bureau.

### **“New Directions” Legislation**

A significant piece of legislation was passed in 1973 which became known as the “New Directions” legislation. This was really the major first major change in Congressional guidance to the Agency for International Development since it was established in 1961. The purpose of the New Directions was to require our AID assistance efforts to focus and to help the host countries focus on development which would benefit the poor majority in each of the countries. Rather than looking at national output we were to help increase production by and benefits for the small farming families of the Third World. The models of support were seen in Asia, especially Taiwan and South Korea, where the strategy had both significantly increased national output and small farm benefits.

To get at this directive from the Congress, AID asked the Technical Assistance Bureau to establish a Working Group on the Rural Poor, which we did. I had the privilege of

chairing it. It was a great experience and another time in which my learning curve was steep.

Each of the regional bureaus contributed personnel as did several of the management support units. They contributed excellent people, such as Lane Holdcroft from the Africa Bureau, Ted Owens from the Asia Bureau, and Charlie Blankstein from the Latin America Bureau. In fact, those three were probably the intellectual powerhouses in the working group. We met regularly, and evolved a set of ideas about how the Agency could proceed. We found that there was no single way to go. We found that what seemed to fit rather well was the concept of a basket of approaches that missions could assess for local utility.

Note: I want to make clear that we were not talking about rural development for the "poorest of the poor." That is a very different issue from development for the "poor majority." Rural development for the "poorest of the poor" probably is a recipe for failure. Unfortunately, in later years when these efforts were looked back on by people writing articles and that sort of thing, it became thought of as working on the problems of the poorest of the poor. It was not, it was working on the poor majority, and that is, as I say, a very different perspective, and one which indeed can work and often did work.

In any event, my task was to come up with guidelines for the headquarters and for the missions as to how to begin to address the mandate for the New Directions. Through the efforts of the Working Group on the Rural Poor, we identified a number of baskets of solutions that could be ways of focusing on the issue and ways of addressing it when the focus had resulted in a strategic plan of action. We produced a handbook entitled "A Practical Agency Approach to Rural Development". This handbook was sent to Washington bureaus and to a number of missions in draft form, and sent to the regional bureaus in draft form. It was well received by and large. However, it was not effectively marketed by those of us in the Working Group on the Rural Poor. Consequently it did not have the sustained impact over a long period of time that it warranted. That was an error on our part, especially mine, and there we are.

But in any event, it was aimed at, and indeed did show how as a practical matter you can set about getting at these issues with your host country counterparts and proceed to effectively support rural development with the focus on improving the lives of the poor majority of rural residents.

The problem of taking up the "New Directions" was substantial within the Agency. The poor majority of families are small agricultural producers. The question of focusing on them and their production and benefits in contrast to focusing on national yield, which was the approach during prior decades by most of our technical assistance personnel, was a very different way of looking at things. People had to revise their approach to analysis of what national targets should be. It met much resistance from our agricultural officers in field missions, from host country agriculturalists, and from the central planning ministries of the host countries. But gradually the aim of the New Directions legislation penetrated

the Agency officers' mentality and became something that they accepted. Eventually, by and large, they came to approve of it. It resulted in support of many more projects which blended yield and conservation of natural resources, which was coming along as an important idea at the same time, and equity for the poor majority in many country programs in the next decade, from 1975 to 1985.

In closing the discussion of the Technical Assistance Bureau, I want to pay tribute to the late Ted Owens (Edgar Owens is his correct name, known as Ted). Ted was one of AID's best thinkers and intellectual innovators. I first knew Ted in the International Division of the Bureau of the Budget in the 1950's. In fact, Ted had recommended me to one of the officers of ICA, and from that recommendation came an invitation to me to join ICA, which I did back in 1958.

Ted was always a controversial person. He was stubborn. He was somewhat arrogant. He was contentious. He was not an easy person to work with. But Ted was the most important person in the Agency for International Development in turning the attention of the Agency toward the poor majority. He was influential on the Hill with the committee staffers and others in doing the same thing. I think Ted was a significant force behind the New Directions legislation. Ted was certainly one of AID's best thinkers and intellectual innovators. He was stubbornly consistent in emphasizing the key role of small producers and participatory development from below, in contrast to centrally planned, highly directive trickle down development and development from above. Ted used Taiwan and South Korea as models for his presentations on how development could effectively be carried out both to the benefit of the nation as a whole and to the benefit of the small producers. He wrote a book promoting these views titled *Development Reconsidered*. It was a relatively short book, (several hundred pages). It was clear, concise and eminently readable. It was influential on the Hill. It was certainly influential in my thinking about development, and it was also, and unfortunately, underappreciated, as was Ted Owens himself.

Finally, with regard to the commentary on the Technical Assistance Bureau, I want to review again the key points about the conflict between the geographic bureaus and the Technical Assistance Bureau (and its successors). Fundamentally, the geographic bureaus opposed the concept of the Technical Assistance Bureau and its successors, and probably still do. For the geographic bureaus, the obtaining for their purposes and for the mission's purposes of new knowledge was always desired, but the provision of funds and personnel to manage and carry out the research necessary to provide the new knowledge never was given a high priority. The competition for dollars and for control of Agency's direction and for the acquisition of top quality technical personnel was severe between the regional bureaus and the Technical Assistance Bureau. Over the years, the regional bureaus continued to fail to nurture technical experts (to improve their capacity or to provide for training) or to develop very many strong links with land grant universities. Of course, there were always exceptions. The field missions, understandably, wanted operational money, and not money put into research of no immediate direct benefit to them, unless that research was to be in the country in which that mission was resident. Despite this, the

Technical Assistance Bureau and the Bureau of Science Technology increased in strength. Probably that occurred because agency leaders saw beyond the parochial interests of the separate bureaus. They recognized that TAB and successors filled an important and unmet need of the Agency. Probably that is why the strong central technical capacity in AID has continued since it was first retrieved and fostered by Dr. John Hannah.

### **Assignment to USAID/Nepal as Mission Director - 1976**

In mid summer of 1976, I was called to the office of the Assistant Administrator for the Asia Bureau, Arthur Gardner, and told that he and the Deputy Administrator of AID, John Murphy, had been talking, and they wanted me to go out to Nepal as the Mission Director there to replace Charles Grader, who was transferring to Afghanistan. I knew very little about Nepal, and it was not one of the programs on the top of my list, and so I said, "Well, okay, let me think about that" (I think this was on Friday), "and let me get back to you the first part of the week." It was perfectly clear that if John Murphy wanted me to go there, the probability was I would go, but I did want to think about it, because there were other missions that I was more interested in taking over as the Director. So I went home to suburban Maryland and suggested to my wife Lois, without telling her about this job offer, that I would like to take her out to get a beer and a sandwich at the Olney Ale House. So we went out on this hot summer evening and sat down and ordered (I a beer and Lois a soda of some sort). I then turned to her--I think this is probably after we had ordered the sandwiches but before they had come to the table, which is probably fortunate--and said, "How would you like to go to Nepal, and what would you think if I accepted the AID Mission Directorship in Nepal?" My assumption was she would not be enthusiastic. Lois jumped up and said, "Nepal, oh, it's my favorite post!" This was all very startling to me. I was particularly concerned at the moment as to whether the beer was going to spill? I think we steadied it. When Lois sat down, I expressed surprise, and it turned out that she, in reading post reports during the early '70s (when she was a consultant with the Training Division orienting families going overseas for the first time), that she had read the Nepal post report. She considered it the most appealing to her of all of AID's posts. Well, with Lois's reaction and John Murphy's preference, it was quite clear to me that I had no real choice in the matter. The following Monday, I called Art Gardner, and said, "Yes, I'm your man."

Several months later I left Washington for Kathmandu, Nepal, and what turned out to be the most exhilarating four years of my life. Lois followed in February, 1977.

I arrived in Kathmandu in November of 1976 and concluded my assignment there in December of 1980.

I found myself in one of the most exotic countries in the world. If ever the word exotic fits a nation as a whole, it fits Nepal. The country is physically beautiful. It has eight of the world's 10 highest mountains, the Himalayan Range, which runs the length of the country at the northern border. It has beautiful smaller mountains which are known as

“hills” in Nepal, which go up as high as 14,000 feet. The Himalayan Range, of course, rises over 29,000 feet. The Middle Hills are terraced by the wonderful Nepali farm families, who must be among the world's very best. They are highly efficient in terms of output per unit of land, must be one of the most efficient farmers in the world. I won't go into all of it; it is simply a beautiful country.

The Nepali people are cheerful. I concluded that what they were doing was smiling in adversity, because their lives are hard, very poor, a constant battle to keep enough food in the house to feed the family. In the mid-70's Nepal was almost entirely a rural nation. Kathmandu Valley was urban, although it also had rural segments. Kathmandu Valley is an extraordinary place, simply filled with charming, unique architecture and carvings and temples. Everywhere you turn you see that religion. (primarily the Hindu religion, but also the Buddhist religion) permeates every aspect of life, and similarly, for every aspect of life there is a religious component.

Well, one could go on and on, but I won't. Suffice it to say Nepal was a country in which there were constantly additional things to discover and to enjoy. My wife Lois became well versed in the intricacies of the Hindu pantheon of the aspects of God, and also of the Buddhist religious symbols. In addition to that knowledge which we enjoy discussing to this day (1997), she also became expert in shopping for, buying, and enjoying the bargaining for lovely Nepalese carpets, which we also enjoy to this day.

Nepal had been closed to the outside world until just after World War II, and had really just opened its doors to the world when the USAID mission began its work in 1951. Nepali society and government were medieval.

For the next decade or two, during the '50s and '60s, although decreasingly as the '60s came to a close, the USAID mission and the Indian Aid Mission from the neighboring giant to the south, were the principal sources of both capital and technical assistance for the Nepalese government's development plans. By the time I arrived there the World Bank was the major capital provider. The Asia Development Bank was there. The Japanese were there. The British were there. The Swiss were there. The United Nations had a large technical assistance program. Australians were providing very effective technical assistance. Nevertheless, the Nepali public's perception was one of that USAID was still, if not the major donor, certainly the leader among the donors by right of our years of significant support. Public perception also was that we had done a great deal for the country. Now I suspect that while we had done a lot, we were given credit for more than we deserved! However, I always declined to make that comment too loudly.

Nepal was struggling with the problem when I arrived, as it did for a number of years into the future and had for a number of years in the past, of being both a monarchy and a fledgling democracy. Without going into all of the interesting history of the democratic initiatives and the monarchical responses, let me say that during the four years that I was there, Nepal was an absolute monarchy. All orders were from the top. Parliament was of little policy significance. Now that's not entirely true, and perhaps I've overstated it, but

basically the traditional forms of government of an absolute monarchy in which they say everything came from the top, were those which prevailed, and the democratic impulses were submerged. That has now changed. In 1990 a revolution took place relatively painlessly, and the system was changed to a constitutional monarchy in which Parliament is the pre-eminent authority. The political parties compete through a democratic process for control of the handles of government via elections and universal suffrage.

Government officials had in the latter years of the 1970s--so did most educated Nepalese and, perhaps, non-educated Nepalese-- ambivalent feelings about the foreign aid programs. They were pleased that foreign aid was being provided. They were not pleased with the presence of so many foreigners, almost all of whom lived with a level of material goods that few Nepalese could ever hope to emulate. There was continuing tension about our affluence in the midst of their poverty.

Also, the AID mission had, in the two years prior to my arrival, gone through a reduction in force process that was painful and had an unavoidably negative impact on the morale of our numerous Nepali staff members. Nepali staff morale was something to which I had to be constantly sensitive.

The USAID program at the time of my arrival was primarily a set of well-designed, traditional projects. By traditional I do not mean that they were unimaginative or failed to use new approaches when those seemed to fit. I mean that they were not designed in light of the New Directions or the new mandate which the Congress had given us.

A new element in the donors' and Nepali governments' thinking was the Nepal Aid Group. After a number of years of Nepali government efforts to bring it about, they had succeeded in convincing the World Bank and the donor community that there should be a Nepal Consultative Group chaired by the World Bank and to which Nepal and the donors would belong. It would be used as a forum for addressing Nepal's development strategies and development requirements for external aid. The Nepal Consultative Group was very important to the government of Nepal because it provided a degree of prestige by putting Nepal among those countries which enjoyed a World Bank-chaired aid group. The Nepali officials assumed Nepal would be seen as among the countries which the donor communities took seriously in regard to their development efforts. Indeed, in AID, there was some evidence of this because the program planning bureau, PPC, was at the time of my departure for Nepal thinking of a substantially increased allotment of funds for Nepal over the next several years.

My overall goal as Mission Director in 1976 was, thinking ahead over the next few years, to implement the New Directions mandate, in which I strongly believe. This account of my stewardship of the AID program in Nepal will be about how I tried to do that. Nepal and its programs and its people are so endlessly rich with vignettes, including many about the US foreign aid program, that it would be possible to provide a very colorful tapestry, but that would almost take another six to eight tapes to transcribe. I think the readers' patience would be exhausted, if it is not already, long before they got through it. So I will talk about what was special during my time in Nepal. We should focus on what was the

main thrust of my management, namely the implementation of the New Directions mandate and a parallel effort within the mission itself, and particularly with the Nepali staff, to both raise morale and to do so by increasing their role and understanding of the program's planning work and implementation work.

I remind the reader or listener that the New Directions mandate, passed by the Congress in the Foreign Aid Authorization Bill in 1973, was essentially a charge to those of us in the AID program to move its focus more closely and more effectively to improving the lot and the development yield for the poor majority of the peoples of Third World countries. In the past our focus was mainly on national production levels. That focus often resulted in our emphasis in our work assisting large producers rather than small producers, and not addressing the huge gap in income between those at the top and those in the middle of the Third World economies and societies.

For a thorough discussion of the ins and outs of this matter and both the problems and opportunities, I refer the listener or reader to the monograph I prepared in 1974 or 1975 called "A Practical Agency Approach to Rural Development", subtitled, "A Draft", which can be found in the USAID library. And for a brief review of a very important aspect of the refocused development emphases, an article that I wrote for the Society for International Development's journal in the Spring of 1977. The article had the rather long awkward title of "Why It's Difficult for Developing Country Leaders to Get Started in Rural Development".

An essential aspect of the New Directions was that the participation of the rural people, and by extension the participation of the host country experts in the development and implementation of development projects, and particularly the USAID-assisted projects. The degree of participation should substantially increase over prior projects. That was an aspect which I attempted to implement in a number of directions.

So, with my focus on the New Directions, there were two large questions. One was should our existing projects be adjusted in the light of the New Directions from Congress, and secondly, with regard to any new projects, what should they be and how should they be planned. This narrative will focus on those two matters and I now will proceed to the question of the projects that were in place when I arrived in Nepal.

As I said earlier, these were good projects, they were traditional projects, well designed. Most of them involved good quality experts. Several of them had been quite successful and there was promise in most of them.

The projects in agriculture, education, health, family planning, and the local construction projects, of which we had several, were backstopped within the mission by an able team. My predecessor, Charles Grader, had done an excellent job of assembling first class professional persons despite the backwater nature of Nepal. I give him a lot of credit for that. It was fortunate for me that such was the case. They were dedicated, they were well informed, they were up to the mark on new developments, and they worked hard. They



were diligent in their service to the United States. As I mentioned earlier, in the interest of space and time, I will not mention all of the able people, including the contract leaders who were involved in the activities in Nepal. There are two reasons for that. The first is time and space. The second is that I may omit somebody without intending to and that would be something I would not want have appear to be a slight to that person's contributions. So I shall not deal with personalities.

The Mission's team was able. I saw no reason to make changes when I arrived. I still think that was the correct decision although over time, as one would expect, differences and frictions came up and had to be dealt with.

Significant existing projects which I dealt with throughout the time I was in the AID mission were the following:

**Integrated Cereals.**

This was an effort to bring into the Nepali agricultural ministry's work the processes and the benefits relating to agricultural research. The project linked Nepal with the worldwide network of agricultural research institutes discussed earlier. The links brought to Nepal genetic materials that had been developed to increase yields in the Philippines, Mexico and elsewhere. In turn the project improved the local yield of those imported seeds by working in the Nepali soils and climate at research centers and on farms in Nepal. The ultimate purpose was to substantially increase the yields of crops on the small farms of Nepal in the flat Southern lowlands which were only about 500 feet above sea level, and in the flat floors of the higher elevation Kathmandu Valley and two or three other valleys.

This sturdy project and its excellent personnel needed only a little shift in direction as far as I could see. I think it was a shift that they had wanted to make. My urging was helpful in convincing the Ministry of Agriculture that this would be a useful direction. That change was simply to, I shouldn't say simply, because it's not easy, it was difficult, to increase the amount of attention to the Middle Hills, the terraced mountain slopes and the unterraced slopes which were farmed by most of the families in Nepal. The farming areas ranged in altitude from about 3,000 feet to about 11,000 feet. The Integrated Cereals team took on this challenge vigorously and increased substantially their outreach to small farms with on-farm research and what became known then as "farming systems" research as well as straight agronomic trials. So that was the principal change, and it was right in line with the work that they had been doing.

**Institute for Agricultural and Animal Sciences.**

This project supported the new institute and aimed to make it a land grant type college. The project had an excellent American team, strong leadership, good technical support and quite good backstopping from the American contract group. There was little that they needed to do to if anything to be in line with the New Directions, because they were not purely focused on agronomy and animal husbandry, although they certainly were working on them. The project worked hard to provide the institute with a good social science and economic studies and to develop and utilize remote area training centers as outreach and

linkage with both the educational personnel and the agricultural personnel in the remote regions of this remote country.

### **Health.**

On the health side there were three related projects. They were:

1. Integrated Health Services (IHS). The project was intended to bring together the many specialized health services into an integrated team. The hope was that an integrated team would provide more effective and efficient support for village health workers and health posts, as the rural dispensaries were called. The task was very difficult. It cut across all the traditional organizational preferences of the Nepali medical personnel, since there were both men and women professionals. The project's leader was a remarkably able Nepalese female doctor. But it was tough. We gave strong support and our preference that this be the lead health entity was always clear. Our support was not sufficient to make it a success.

2. Family Planning, Maternal and Child Health (FPMCH). The principal competition and opposition to IHS came from FPMCH, which had been supported for some years by USAID. It was a standard family planning project. Its tasks were clear and simpler because they were more narrowly focused than those of IHS. So when one looked at the results of the two services and particularly at the crucial matter of impact on the population growth, of having an effective family planning delivery system to curb population growth, the traditional FPMCH project normally looked better and at least more dependable. So the integrated health services was always having to scramble to maintain itself and to demonstrate its viability. This competition was never resolved in my four years; it just was there. We had to recognize it and work with it.

3. Malaria Control. This was a clear success in the health field. The malaria control project, which had been going on for many years, had successfully established a Nepali malaria control institution that was well managed and effective. By the time I was halfway through my tours, the Nepali program was able to work with little or no external technical input. This was a very impressive piece of institutional development.

### **Western Hills Road.**

This project took a great deal of management. I simply won't deal with its complexities because space doesn't permit. Its significance was that it was an early effort to try to provide a "leading sector" to open a remote and poor rural area to the winds of change through providing a wheel transportation route within that area and to outside markets and roadways. The significance of this project, well, there are many significances of it. The point of it from the standpoint of New Directions, was that it didn't work. That is, providing a road to open up an area to outside influences and to improved internal contacts was demonstrated to be not enough by itself without a great deal of other types of changes taking place. That moves us to the question of new projects, what should they be and how they should be planned.

### **Rapti Area Development.**

When I arrived in November 1976, I was briefed on a project that the Ministry of Finance hoped we would take on. It was an area called the Dang Valley in the Rapti Zone of the Far Western Region of Nepal. This matter led us into the major project innovation that USAID assisted the government of Nepal to put into place during my tenure as Mission Director.

Our assessment was that much of Nepal was suffering from rural stagnation. The Western Hills Road was a perfect example of that. There was no valuable natural resource or special skills or high potential market in the rural areas of Nepal that could provide a leading sector which could provide both income and training and incentives for an area to pull itself up by its bootstraps or to infuse a sufficient number of new opportunities from the outside to bring about a basic change in the economy of Nepal's remote rural areas. So the rural areas simply were making little change, and I used the term rural stagnation, which still seems to me to be the accurate description. This is in contrast to many countries, for example the Philippines, where rural changes were taking place and an input of one or two major sectors, again like transportation to market, could cause a boom or at least a major expansion or increase of incomes via market-driven forces. In Nepal, that simply didn't exist. If that was the case, what did Nepal do? Also upon my arrival Nepali officials urged me to turn USAID's focus to the Middle Hills in Western Nepal. They urged that we not continue to address the Kathmandu Valley and the lowlands south and east of Kathmandu. Those were the areas in which most of the development had taken place as of that time. This was a challenge to take on a far higher risk area and one in which this rural stagnation problem made it extremely difficult to cause economic production changes. I should comment that in the Kathmandu Valley and in the central and eastern terrai, the problem of rural stagnation had been overcome.

The mission staff and I concluded that we'd better come to a quick decision, not leave the Ministry of Finance hanging, on whether or not we were going to help them take on irrigating the Dang Valley. So a small party including the brilliant Devendra Raj Panday (Nepalese Coordinator for External Assistance), two or three mission staff, a Nepalese-speaking colleague from the British Embassy, and I went to the Dang Valley in December of 1976 to look at the irrigation project, and to try to come to a resolution either then or very soon thereafter.

What we had thought we'd find we did find. There was indeed potential for irrigation, but the equity aspects were troubling. The land tenure problems in the Dang Valley were intense. There were a few large land owners, and there were many tenants. They had no secure tenure. While they might have some benefit from the irrigation system, the probability was that they would get very little of the benefit, and the few large land owners would reap the big profits. Well, that really made it impossible for us to proceed with that.

The Zonal Commissioner, the palace-appointed political head of the Rapti Zone, in which the Dang Valley lay, was a man of considerable political vision. He spoke much less about the Dang Valley, which was the main thing on the Ministry of Finance official's

mind, and much more about the people in the Rapti zone, who lived in the hills and mountains to the north of the Dang Valley. I recall him sweeping his arm in a great gesture and describing those places, and those people, and how he would like to see something really change in their lives.

From talking with the Zonal Commissioner came the idea of USAID assisting the government of Nepal to design a project that would address the question of rural stagnation and ways in which it might be overcome (as stagnation in the Kathmandu Valley and the eastern terai had been overcome.) That was the beginning of the concept of an integrated rural development project for the Rapti Zone, or Rapti Area Development, or RAD, as it inevitably became known. The project planning took a very long time. As readers familiar with AID know, the requirements for project planning were extremely onerous and unrealistically rigid. We met all the requirements and went through all the hoops and cleared all the hurdles, but it took a long time.

There were some important things about the project planning. The most important was that it was a highly collaborative. It was without precedent in Nepal at that time. The operational collaboration was between the USAID mission and the government of Nepal's Agricultural Projects Services Center (APROSC), led by very able Nepalese analysts. A great deal of field work was done. The effort to insure participation of local leaders in the planning process was substantial. It was not until spring of 1980 that the project design was finally approved in Washington. The first project agreement was signed in the summer of 1980. It provided for an unprecedented 15-year program. The agreement itself was, I think, five years, and with funding for the first two or three years. But both the participatory process by which the project had been put together and its focus primarily on the poor majority and local decision making (rather than simply the provision of inputs from outside) was a precedent-setting design in Nepal.

The project's purposes were:

- to improve income, farm production and other measurable indicators throughout the zone.
- to increase the local demand for and control of the delivery systems for agriculture, natural resource management (primarily forestry) and irrigation.
- basic health, family planning and education.

The project was ambitious. It identified programs of the government in 10 ministries or agencies as being key to improving the quality of life and hoped to strengthen all of them in the Rapti Zone. The project was trying to get at the whole complex of things that needed to be overcome if the rural stagnation was to disappear. Road development and rural works were part of it, and strengthening of local development entities. That was to help promote the devolution of power and responsibility to the districts and villages from the center, which was a policy goal of the government of Nepal. I personally put in much time on this project. It was one of the most interesting, difficult, and in the end, rewarding tasks that I have ever had in the Agency.

We had an outstanding group of young officers in the AID mission who worked effectively on RAD with their counterparts. They had all been former Peace Corps volunteers, so understood that type of linkage we sought. Two had been Peace Corps volunteers in Nepal and spoke fluent Nepali, which was an enormous benefit.

The Rapti Area Development Project turned out to be a surprisingly sturdy and effective project. It was filled with difficulties. Built into it were expectations of and planned opportunities for reprogramming and change following assessments. The project made many internal changes over the years. Throughout its long life it seems to have had strong support for Nepal's Ministry of Finance and, I believe, from Nepal's National Planning Commission. Despite the complexity and unfashionable nature of this type of undertaking under the Reagan administration and the Bush administration, the project succeeded better than we could possibly have hoped. That is evidenced by the fact that it was renewed and carried out for the full 15 years for which it had been planned and indeed, probably will carry on for more years.

I now turn to three other initiatives, two of which did not work out well.

- Resource Conservation and Utilization Project (RCUP).

A similar comprehensive approach as the Rapti Zone Project was attempted in our first major natural resource management project. In 1975 and 1976, alarmist articles by western analysts created widespread interest in the problems of soil erosion and deforestation in Nepal, this interest was both found within AID, but it was also global among all donors and environmentalists worldwide, that The consensus was that Nepal had a severe problem, as indeed they did. This interest encouraged us to mount an effort, a successful and short one, to design in as participatory a manner as was possible at that time, a project to try in a major way to increase local resource management efforts aimed at sustainable utilization of the soil, grasses and forests of two multi-district areas in north central Nepal.

The Resource Conservation and Utilization Project did not work. The mission's assessment of why it did not work suggests a number of reasons, but I think in terms of its design, which is what took place during my time in Nepal, we probably were too ambitious in our undertaking of a very untried approach, and for whatever reasons, whether it was in the design or whether it was because of the subsequent decisions of the mission managers, there appeared to be much less flexibility and capacity and interest in attempting changes in the project as it evolved than there was in the Rapti project. In any event, one worked and one didn't, and that needs to be clear in the record.

### **Population Policy.**

Another potentially important project which failed was a population policy project designed and put together to support a high level inter-ministerial population policy commission in the government. It started slowly and then it finally began to take on life. The population commission officially was chaired by the Prime Minister. It was actually run by an extremely able public servant. It appeared to be having some impact in the areas

outside of the family planning program, which is what it was aimed at. The question of economic and educational changes which would motivate families to reduce the number of children which they had were of particular importance. It moved well for several years. With a change of government and the departure of this unusually skillful public servant, the population policy project declined in significance. It was never revived. What appeared to be the case is that the Palace, whether it was the King himself or whether it was some of his advisors, turned against the project, and perhaps its purpose. The King may have felt that it was politically risky to be so prominently involved in population control, which went against the grain of traditional Hindu thinking. In any event, the project failed in its major purposes.

### **Radio Education Teacher Training.**

Another program that aimed at the New Directions in an indirect way was called Radio Education Teacher Training. It succeeded in providing substantially improved training of teachers in remote areas of Nepal via the use of radio. It was a short-term project planned to last about three years. It appears to have had a positive impact and apparently a continuing influence in teacher training of those teachers living in remote areas.

The RCUP was, as the Rapti Area Development Project, a project designed with the concept of rural stagnation in mind and aimed at helping communities in remote areas to break out of the stagnation condition and to begin to have rural growth and change which would be both real and visible, so that innovations and additional growth change could be built on the first hopefully sturdy efforts to remove the problem of the stagnation.

Now, it's interesting that the one project worked well and the other one didn't, as I've mentioned, and among the reasons, which I want to note, is that the Rapti project had a very deliberate effort built in to insure flexibility and assessment and change and an expectation that those things would happen. That was not easy to build into projects then, because it suggested you didn't really know where you were going; of course, both partly true and partly untrue. In any event, the Resource Conservation Utilization Project, as I recall, had less of that, and that was, I think, one factor. Secondly, subsequent to the time that a number of us were there, the mission management, for very good reasons, reflecting on disbursements and getting the funds that were obligated utilized, and one can focus on just so many things, and so the assessment of what was happening, the sociological analysis and attention to proceeding, but proceeding with care, in view of the experimental nature of much of this; in any event, the latter was minimized in the interest of the increased improvement in the expenditure patterns.

I was personally responsible for one aspect that failed. That was how the project's top management was organized on the Nepali side. There were many ministries involved in the multiple sector push to make changes that would permit the easier adaptation and utilization of sound resource management. There were two ways to go in this situation. One was to have one line ministry have the responsibility for this project and liaise and coordinate with the other ministries, but without those ministries having a direct responsibility for making the project work. In the short run, that would work best in terms

of getting things going and insuring that as the mission wanted, the inputs arrived and that the ongoing assessments and various things that needed to be done were done. The other approach, which I favored, was to have an interministerial council at a high level, that would be responsible for coordinating the interventions from the various ministries. If it worked this could be a significant pilot approach in whose outcome all ministries had a stake.

And I was asked several times which I would recommend they do. I said that if you want quick results, you go with the single ministry way. If you want good long-term results which will have major significance for both the areas concerned and the country, you need to have all the ministries effectively involved. I would recommend the National Council. That, indeed, is what was set up. At first it looked very attractive, but it proved to be cumbersome and did not work well in the short run. It might have in the longer run, but this project didn't have a longer run. Something caused a lot of local corruption in the construction aspects of the project, which must have had a devastating effect on the project implementation and the local reception of the project. The upshot of these several factors plus an interest of many people in technological fixes rather than socio-technical changes (which were required) all added up to a project that did not make it. An interesting thing is that the mission's continuing interest in resource conservation and utilization was redirected to RAD. There it worked very well indeed. And it would probably be a useful thing to look at the resource management aspects of the RAD and RCUP projects and contrast the organizational and other differences between the two projects to see how work in this area can be most effectively done in places that are remote and out of the main economic stream.

By the time I finished my second tour in Nepal, one of the management targets had been met, and that was to reduce the number of projects or units of management by phasing out a number of the earlier projects, consolidating others and focusing on a few large undertakings. We had roughly 15 management elements when I arrived. We wound up with about five at the end of my two tours. I thought that was useful. Such change has always been fashionable. Washington apparently found that an admirable change in the mission's portfolio.

I want to deal with two more aspects of the Nepal experience before closing.

During my first tour in Nepal, from late '76 through late '78, I experimented with mission management. The experiment didn't work. The effort was based on the view that participatory approaches were sound, and if they were sound in rural development, such approaches would also be sound in institutional management. And indeed now, in the early and mid '90s, the concept of decentralization of decision making and involvement of all the major players in decisions about what will be done is widely seen as extremely valuable. But I was both ahead of my time apparently, and didn't master the techniques well enough, even though I had outside consultants from time to time to try to help me make the process work. Under the rubric of Organizational Development, or OD, I tried to make certain that the American staff members of USAID Nepal were involved and

consulted not only their program responsibilities, which went without saying, but also on the administrative management of the mission and the way in which to carry out inter-office collaboration between various divisions. My assumption was that if staff were involved in discussions and decisions on mission management, we'd have better decisions and the decisions would be widely "owned." Well, it didn't work. I think people saw it as wheel-spinning, a waste of time, and perhaps reflected the Mission Director's lack of a clear sense of direction.

One aspect of the experiment particularly surprised me. When I was a junior officer in the Bureau of the Budget, I leaped at opportunities to have a hand in important decision making. We had a number of young officers in the Nepal mission, and I assumed that the same would be true for them. It turned out not to be the case. I think that it's connected to the fact outside of the young RAD group, the young officers during the first tour had all come out of the Vietnam mission. That mission had a hierarchical, top-down, military type structure. Young officers were used to getting directions and being told what to do and where to go, and they would set out and do it. They clearly did not think it interesting to be able to help shape the decisions and instructions for the mission.

During my second tour, our management approach was much more traditional. Certainly I had an open door, and always insisted on that, but we followed a much more line-and-staff organizational model for decision making. In the few years before and few years after my management experiment in Nepal mission, other missions had worked with the organizational development concepts and participatory management. I'm told that in almost all cases it didn't work well. In one or two small missions, where the staff could gather around a small table and work things through in a relatively brisk manner, the attempts succeeded. In any event, I regretted that didn't work, but it didn't, and we moved on.

In both my first and second tours, I gave considerable attention to bringing out the talents and views of our Nepali staff. They were particularly underinvolved, despite all they knew about their culture in thinking about how projects could be usefully adjusted, how local communities could be involved, and what we needed to do to avoid apparent favoritism or actual corruption, and so forth. There was very little dialogue between the Nepali employees and the American officers. Also, the Nepalis had suffered the morale hammering process of a major reduction-in-force. My predecessor, poor fellow, had had to carry it out. So there were a lot of bruises to be healed. I set about to try to help with the healing in two ways. One was by simply getting out and mingling and chatting with the Nepali staff, by including them at regular intervals in our staff meetings and trying to make sure that those dozen or so who were really able professionals were included in both project planning and project assessment.

And secondly by letting them see what they were working on. I found that most of the Nepali staff had never seen a USAID project. They didn't know their own country very well outside of Kathmandu and Kathmandu Valley. And even some of that was unknown to them. So we had a series of Nepali staff project visits on weekends with sort of a picnic



atmosphere. The visits included briefings by project personnel of the Nepali staff about those projects and their significance for the country. All of that I am sure, from the feedback, was beneficial in terms of morale, and a sense of dedication to the task which they dealt with every day.

I think this attention to the Nepali staff was not viewed favorably by some of the older American staff members during my first tour. It was not typical. It was a change in process. With all the other changes in process I was pushing, it simply added to the wish of these Americans that they could get on with their traditional business in the traditional ways that they've always done it.

I also should be clear that the dialogue with the Nepali staff was not without its price. As they became more self-confident and the dialogue continued over several years, their grievances were pushed to the fore. There certainly were some legitimate grievances. Some we could do something about and some we couldn't because of various US Government regulations. They pushed hard to get changes. The questions of pay and retirement benefits were central, and there was not much we could do about those except to try to insure that we did as much as civil service regulations permitted. That, indeed, we did do. It was not fully satisfying to the Nepalis. That ought not be a surprise. Despite that administrative burden that I took in promoting the dialogue (you get the rough with the smooth) the Nepali staff felt themselves to be substantially more significant within the mission at the end of my time there than when I arrived. I think that was an indisputably good thing.

Now that these various confessions of error are completed, let me conclude by talking about a small project which has had great influence, and with regard to which I feel considerable pride. I was the one person in USAID/Nepal who insured that it took place, continued to be supported and was concluded. This occurred despite a great deal of sniping and opposition from within the mission, which I continue to this day to feel puzzled by and which, I think, had much to do with the sexist mentality of several of my principal officers.

The project is titled "The Status of Women in Nepal." It was a small project under the direction of Lynn Bennett, an American social scientist who is now with the World Bank. At that time Lynn was young. Then and now, she was a very talented person. She spoke Nepali fluently. She pulled together a team of Nepali women social scientists and worked with a branch of the national university called Center for Economic Development and Administration (CEDA). The purpose of this project was to provide a clear picture of the role of women in the development process. It was part of the strong women in development thrust that USAID really led the world in. Its legislative base was the so-called Percy Amendment to the 1973 Foreign Assistance Act, part of the same set of changes that were reflected in what was called the New Directions for the AID program.

With regard to this project, I'm going to read from a USAID Nepal mission history of its AID programs, which, by the way, is an excellent document. It's called "Four Decades of Development, A History of US Assistance in Nepal, 1951-1991." It says the following:

"As the major contributors to family farm enterprises and the primary users of forest resources, women play a particularly important role in Nepali development. The significance of that contribution was revealed by a landmark five-year research program, 'The Status of Women in Nepal. Begun in 1977, the study was funded by USAID, and administered through the University Center for Economic Development and Administration. The first of its kind, it greatly expanded understanding of rural women's multiple and significant roles. The survey collected information on the status and roles of women in eight different groups, producing a statistical profile of Nepalese women and a series of socioeconomic case studies. The goal was to provide an informational base from which planners could facilitate the integration of women into the development process."

And it goes on to say what all the study found, and the recommendations that the study made for Action, both policy and program. Changes that ought to be made if women were going to be as effective as they could be and ought to be in the development process. Just for the record, it found that "Nepali women make extensive contributions to rural domestic economies. Women are primarily responsible for farming, both in terms of their labor contribution, nearly double that of men, and decisions. In 42% of cases they make agricultural decisions on their own. In another 12% they participate in joint decision making. As the primary procurers of firewood, fodder, and water, they play an important role in the use and misuse of natural resources. However, social custom currently restricts women's interaction with the outside world. Women tend to relate to development efforts through the mediation of men. Traditional patterns of information flow thus fail to capture the energy of the people who perform over half the labor and make many of the important decisions on the family farms. Closer involvement of women is vital to the success of development projects and requires special efforts on the part of program planners and implementors.

This project over the years has been cited not only in Nepal, but elsewhere, as a model for how to get at this sort of assessment of rural society. Although it was completed after I left, at several times during my tenure it was up for decision as to whether to continue funding despite certain lagging aspects. I made the decisions that it should continue, and I'm very pleased that I did. I'm very proud of being able to be a major supporter of this highly significant study of rural Nepal.

### **Observations on a career in US foreign assistance programs**

That really wraps it up, except to say that as I left Nepal in early December of 1980, I left with good feeling about the years there. I was physically ill--I was medically evacuated--my tour was up, but various medical emergencies at that time caused me to be zipped out

of the country before the usual round of parties and receptions were held, probably to everybody's great relief.

In any event, I look back on both Nepal and my other experiences in AID with gratitude for having been able to do those interesting things, to involve my family insofar as possible in those adventures, and to be paid for doing it--a very lucky man. And I look back on Nepal as the most satisfying of all, despite some extremely difficult times there, with enormous pressures, which there's no point in trying to go into because they're common for many missions and Mission Directors.

In my earlier assignments, I had learned the business of managing and administrating, and skills of development diplomacy. Through my work in the Technical Assistance Bureau, I had become a minor expert in integrated rural development and the aspects of it which I think really count, and the ways in which sectors and interests have to intertwine for effective development to take place. In Nepal the problem of rural stagnation called for solutions that involved that type of interaction and which my background was particularly appropriate to address at that time. I was able to help put our theory into good practice.

The Asia Bureau appeared to agree. After Lois and I retired, I was asked to come back from Idaho to Washington. I received an award which I very much appreciate. It hangs on my wall now. The Outstanding Career Achievement Award. Beside it is the Superior Honor Award that I had received earlier in the Technical Assistance Bureau. Both awards are tucked behind a door so that it's only when I close the door that I see them. The locus doesn't force all visitors to my study to admire that record.

Along with those two hangs a scroll presented to me by the Nepalese Employees' Association, headed "Letter of Commendation." That scroll was presented to Lois and me at a picnic hosted by the Nepal Employees' Association just before our departure from Kathmandu in early December 1980.

While I am deeply appreciative of the Agency's awards, this one really touches my heart. It says, "We express our heartfelt thanks for the encouragement you have given to activate the Nepalese Employees' Association, for the initiative you have taken to improve the employment conditions for the FSN employees of USAID Nepal, and for the most humanly relations you established during your four years term here as Director. For us, you have become an ideal Director. Not only we have high regards for you, but people outside of our mission also regard you highly for your exceptionally fine official relations and personal dealings. This is our general feeling that you have succeeded in creating in our minds an excellent example of yourself being a successful Director and as a American."

It goes on to say a few other things, and then toward the close of the letter, it says, "In addition, we wish to express our best regards to Mrs. Butterfield and our appreciation for her very pleasant dealings with us. We thank you both once again, and look forward to your happy journey to the US and expect to receive good news therefrom and wherever you will be in the future."

*End of interview*