Association for Diplomatic Studies and Training
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# OWEN CYLKE

*Interviewed by W. Haven North*
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## INTERVIEW

[Note: This interview was not edited by Mr. Cylke.]

*Q: This is the November the sixth and the interview is with Owen Cylke, who worked for AID for how many years?*

CYLKE: 1966 to 1989.

*Q: Let's start off, Owen, with a background of where you're from, what your early life was like, where you went to school, your education generally, all with a view of how they relate to your getting involved in international development.*

CYLKE: I was born in 1938 in New Haven, Connecticut and went to high school, college and law school in New Haven. For 25 years, I operated within a three square mile radius and international development wasn't much on my mind. I majored in economics as an undergraduate, majored in public law in law school.

*Q: You went to Yale?*

CYLKE: Yes, so I was at Yale College in '60 and law school in 1963. I don't recall a course in international development at that time, even though there may have been one. That was the beginning of the discipline, so I'm not at all certain. And international development wasn't much on my brain. I think two things were on my brain. One was how to get out of New Haven. Secondly, John Kennedy was elected President and so I was attracted to that. I can remember strictly the day that Sergeant Shriver came to Yale Law School and made a speech. I can't say I was seized with fervor, but I was taken with the whole notion and I joined the Peace Corps. That was 1963. We were the second group to go to Ethiopia. I was assigned to the law school. I really struck my interest in development there.

*Q: In Addis Ababa?*

CYLKE: Yes, in Addis Ababa, rather than anything that ever happened to me in New Haven.

*Q: Why was Peace Corps a sudden interest?*

CYLKE: The only thing I can say is that my interests were consistent. I majored in economics but was interested in government. My role model as a child was an uncle who had served in federal government and was a lawyer. I was fascinated by politics from the earliest time. I remember, I have a letter from Adlai Stevenson from 1952. So, even in the eighth grade, I was interested in politics. I always thought that that was either something I wanted to do or be engaged with, but, again, the international setting wasn't there. The Kennedy years, I guess, just blew embers on almost anyone who had any inclination about government during that time. I have to be honest - I think the Peace Corps; I joined the program which was sponsored by the American Bar Association and the Peace Corps jointly. They were recruiting lawyers for a program called "The African Lawyers Program." Of all the options, I couldn't see myself just going into a law firm right away. The military held no interest. So, it was an option and that's as simple as it was. So, I

ended up, after 25 years, on the streets of Addis Ababa in Ethiopia, as far away as I'd ever been in my life, in a law school.

*Q: This was at the university?*

CYLKE: At that time, I was at Haile Selassie University. It was the first year of the law school. The dean, who had a big impact on it then, was named Jim Paul, a professor from Rutgers. He was subsequently the vice chancellor of the university and quite a distinguished person who decided, in organizing the law school, that the premise for the law school, the only real premise for the law school, was to introduce the law in support of development. I would have to say, that's the first time I ever heard the word "development." I was assigned, of course, to property law, which we turned into a course in-… Having said that the law school was going to be dedicated to development, I'd have to be honest, I don't think anyone in the faculty knew what that meant. They were all lawyers. They taught the typical courses. But Jim was very much interested in institutionalizing the law school. He had to have a premise and he decided that was the premise for education and for the law. I was given the assignment to teach property law from New Haven, Connecticut. Rather than teaching property law, I turned the course into a course in agricultural economics, land law, land reform and agricultural development. I just did that simply by reading, by having (inaudible) prepare the course. I did traveling, I did a land tenure service. In the summer with some students, we went to a village and spent the summer and tried to describe how land actually got transmitted and whatever, blah, blah, blah. I taught that course for two years. When I came home, I can recall sending resumes to everybody-

*Q: Let's talk a little more about the Ethiopia experience. That's a very interesting period. What did you find out about the land law? That's a very touchy subject in Ethiopia.*

CYLKE: Let's see if I can remember back. The interesting thing about Ethiopia was how generous Ethiopia was to itself. It had a feudal land tenure system, as opposed to the communal system, of the rest of Africa. If you looked carefully at it, in fact, it had lots of the attributes of medieval Europe: an indigenous Christian church, a feudal system, a monarchy, lots of the nuances of the law, servitudes. All of these kinds of things were really rooted in a tradition, which was much closer to the European tradition than to African traditions, at least in the highlands. It was probably not as sophisticated a course in retrospect, as I could teach today because I knew so little about what I was teaching and the materials that I had. At any rate, I understood rather quickly that the law was going to be rooted in development if the law was to serve a development purpose, if I was teaching, and land reform was quite a subject at that time.

*Q: This is what year again?*

CYLKE: This was '63 to '65. In fact, I'll tell a curious story about that. I recall, I was in parliament one day, watching parliament. They had a lower house and an upper house. In lower house, some fellow stood up and proposed that they simply abolish the word "tenancy" from the vocabulary. That would solve the problem. It was a vocabulary

problem and they'd just eliminate the word from the vocabulary. It was interesting how naive that kind of movement was. On the other hand, you had fellows in capes who were nobles, who were just appalled that anyone could be in a room talking about their land. You could see, it was visceral on their face, that this incipient democratic kind of institution even existed. They were just appalled that this kind of thing could be talked about. But this was before there was any outspoken tension with the Emperor. There perhaps was some somewhere, but not to be noticed. There had been several coups attempted at the highest levels, but the Emperor was still greeted with enormous respect. The tradition was so powerful that there was almost. I recall, in order to make the law school non-foreign, because all of the faculty were foreign, the dean incorporated into the faculty a night law school. It was run by lawyers in the town, including the fellow Bulcha Demeksa, who you probably knew later. I think he was the Minister of Finance. These fellows were all radicals and all told us that they wanted to eliminate the Emperor, blah, blah, blah, blah. Yet, when the Emperor came to the law school for the graduation this one time and we were all standing there, while we all showed respect, they all went to the ground reflexively. That just suggests to you how deeply rooted that feudal kind of system was.

*Q: Did you have any idea of what the Emperor thought about the kind of things you were teaching?*

CYLKE: Land reform was publicly debated in the parliament, but it wasn't debated in the sensible kind of way. It was debated from a sense, in any kind of a communist dialectic, as to what was right. It was a very technical kind of debate as to how we should adjust the law of servitudes or how we should adjust the law. It wasn't how they should redistribute the land or what the redistribution of land would mean for income or development. To me at any rate, as I recall, it was a very legalistic kind of conversation.

*Q: Were there land laws?*

CYLKE: At that time, in 1963, the Emperor was, in his own way, a modernist. It's hard to imagine. He constructed the legal system. He had decided they needed a legal system. He decided that the only way to get an instant legal system was to adopt a civil law system. So he hired a Frenchman to draft a civil code, which was possible in the French system. There was a dispute over payment. The fellow was never paid. Therefore, he never released his notes, so no one ever knew why he made the adjustments to the law that he did. But they have nothing to do with Ethiopia. Drafting civil codes was always an exercise of privilege, that you got the right to write the perfect code from a legalistic kind of framework where you were coming from. The Emperor, however, understood the kind of formalism of the civil code. When he set up the law school, he purposely came to the United States to hire a common law lawyer to teach it. He felt that there would be more flexibility. In its own way, that's a rather smart or dumb thing to have done, to decide, "I need a legal system." You can't just bring precedent from the United States. So, you get a civil code, which can be written. So, you take a French code, which gives you a document. You say, "That is our law." Recognizing that that's not possible, you go out and hire a bunch of common law lawyers to teach it, with the sense that they'll bring

flexibility to it. So, in that sense, it seems to me that the notion of a modern military, which was his downfall, the notion of education, the notion of law reform. It's what I guess we would all call "incrementalism" as we look back on it. But certainly, there were incipient seeds of a man who saw that his country had to come into a modern age. To the extent he understood it, it seemed to me he tried to do it. But he was as hobbled by the feudal system as much as the people who bowed at him, by expecting people to bow to him, it seems to me. I came to revisit Ethiopia later in my AID career, but that's about all I can recall.

*Q: Did you see any follow up to the teaching that you had done then, when you went back?*

CYLKE: Well, when I went back later, the follow up was actually to recruit students into the law school. It was quite a dilemma because there was no legal profession. So, where to find students in that first year- The dean went down to the Harare military academy, which had peeled off most of the best students from high school into the Harare Military Academy. He recruited students from there. So, our first year class were all military students. And also a shrewd dean. During my time there, several were arrested, several in class. Most of them were part of the revolutionary activities. Afterwards, I think, half are dead. Another 25 percent are in Washington, DC, and another 25 percent are probably teaching in the law school. I don't know of anyone who's prominent in politics. But then you had a revolution over the years. I think that the notion of a civil code vanished in irrelevancy.
Q: But what you were teaching was-

CYLKE: Revolution.

*Q: Revolution in terms of-*

CYLKE: That's what AID's teaching.

*Q: I see. How did you enjoy living in Addis Ababa?*

CYLKE: For myself, not having come to it with an international background, with an international interest, I have the hunch that I probably got a tremendous amount out of it, but I can't say that. I was probably still a fairly provincial person when I left Ethiopia, certainly more worldly than the one who arrived in Ethiopia. But I taught in an American institution. I taught with Americans. I had another experience two or three years later, by going to the African Development Bank, where I was in an African institution, the only American staff member in an African institution. I think it was a fundamentally different experience. Although I lived in Ethiopia, I traveled widely, I knew lots of people, my institutional setting, almost like AID, I'd have to say, was walking into an American culture every working day.

*Q: Did you experience that as cultural shock?*

CYLKE: Oh, I'm sure I did. I mean, as I say, as a provincial kid coming from New Haven, Connecticut, I think it changed my world views on that we were all part of the world, on race, on culture, that kind of thing. But I have to be honest, I think I came back less jolted, as evidenced by what I did immediately after coming home, than lots of my friends who served in the countryside, probably.

*Q: How did you find the Peace Corps as an organization to work for?*

CYLKE: Bureaucratic. The only comment I have on the Peace Corps, which I think you'd have to have on AID later, was that I thought that there was a tremendous effort for the headquarters to project an image of what they thought the Peace Corps should be, rather than allowing the Peace Corps to be the sum of its volunteer parts. You had a desperate need to have people who wanted to join the Peace Corps for altruistic reasons. I think, like AID, you have people who join a thing like that for all kinds of different reasons. Some people for so-called "altruism," some to travel, see the world, have a cultural experience, some to have a professional experience which you can only have in that kind of a setting. There must be a hundred different reasons that people engaged in this exercise. I thought the Peace Corps (inaudible) was almost desperate to project an image of a whole image. If you didn't really talk the talk of what that image was, you were considered an outsider in the Peace Corps. Rather than allowing the Peace Corps to essentially be an impressionistic painting of the sum of its parts. Having said that, I didn't have much interaction with the staff of the Peace Corps. I can't say they interfered with my daily life. I barely knew anybody on the staff. I think, in fact, as a volunteer, you certainly had less contact with the Peace Corps staff than as a AID contractor, you probably had with an AID mission.

*Q: Did you have any interaction with AID or with the Embassy?*

CYLKE: No, I have to say that I knew some people in the Embassy, but I had no understanding that there was such a thing as a country team or what it did. I think Will Meneke was the AID director in those days. I remember going down and asking if I couldn't rent a vehicle from them once, but I think that was my entire interaction. They looked at me like I was crazy. I think that was my entire interaction with AID. I think I had the general perception and prejudices that lots of Peace Corps people had, that the Embassy was promoting political interests, USIS was there. AID had a better image. There was no negative image that AID was removed, detached, lived off the economy. I never heard anything but good things about AID, but I have to say that it didn't register very much on my consciousness. I lived in another world. The AID community had nothing to do with my life. I don't think, as a volunteer, we considered ourselves part of an official community. In fact, I think we consciously strived to be apart.

*Q: Any other dimension of that?*

CYLKE: In addition to teaching at the law school, I did teach English at night in a high school. I traveled widely. I suppose, yes, the conservative side of the Peace Corps, of certain countries which had the biggest impact on volunteers - I think Ethiopia,

Philippines are two of those countries. I think there are a few others. But I think, surprisingly, the Ethiopians, because they're a distinctive people, because of the mountains, and yet racially distant, but unique unto themselves, I think you couldn't help but go to Ethiopia and come away without- Any sense that you had, if it was relevant to racial makeup and things, got reinforced in Ethiopia. They were distinctive unto themselves. There were no stereotypes. The stereotypes were opposite because, in fact, the Ethiopians had certain prejudices themselves about other kinds of people, which made the whole thing look so silly. It was also probably a uniquely cordial- They're such a unique society, it just comes up and hits you right in the face. I think, because of that feudal background, which had certain similarities to our Western, although it was set in Africa, countryside people drinking Meade, using poultry, a feudal church, a feudal system that's so similar to our own historical background, that Ethiopia's culture was apparently more accessible than lots of other countries around the world. Whether it was really accessible or not, I don't know, but it had apparent accessibility, it seems to me.

*Q: When you traveled around the country, did you get a sense of the state of development of the country? Did you get a feeling about that?*

CYLKE: I don't know that I thought enough about it.

*Q: You saw the people living in the conditions?*

CYLKE: I can't say that I had a rush of concern that I had to help those people, but I think I had a rush of understanding as to what some of the issues were coming from the legal side. As it turns out, I came to AID, so it had a tremendous impact on me. What I'm trying to say is that I don't think I came home with any conscious, verbalized sense of what the impact of what this experience was going to be, but it had a tremendous impact over the next year.

*Q: Well, let's move on and you can add to that if you want.*

CYLKE: I came home and wrote 1,000 resumes to 1,000 people in 1,000 directions. I had worked at a law firm in New Haven, so I go to a law firm in New York. I interviewed international bank, but lingering in my mind was this sense of development in Ethiopia. I applied for a job at USDA. Really, AID didn't pop into my mind very quickly. For the life of me, I'm not even too certain where it came from, but I'll come back to that in a minute.

I met a fellow at USDA named Gene Wunderlich. His name has stayed in my mind all these years. He was intrigued with my resume and what I had done and what my interests were. He tried to encourage me to come to USDA. He was going to send me either to the Land Tenure Institute of Wisconsin, work half time and go to school half time. He then passed my name on to a guy at the University of Florida, who tried to get me to come down and get a Ph.D. in agricultural economics. This happened through an application to USDA because it was the United States Government and I had taught land reform. But this guy just pushed me on the Land Tenure Center and then he put me in touch with the

fellow at the University of Florida, who really pushed me like heck to come down to Florida and study agricultural economics. I went down to Florida and talked to him.

At this point, my father argued that, having spent the money to go to Yale Law School, it was really outrageous to think that I wouldn't at least give it a year. So, I agreed with my dad. However, I took a job in New York with a law firm, but I never showed up. I went instead to American Express Company. There, just to be truthful about this whole thing, my interest was just on going overseas. Not knowing what to do, I had put in an application to the international banks and gotten nowhere. I think they were probably wise enough to know that a former Peace Corps volunteer already was not likely to fit into the straightjacket that the international banking system was. American Express had an intriguing program where they hired young people to be assistants to senior officers. Their training program was, you were assigned to a senior vice president or a vice president for two years. If you were still in that job two years from that date, you were out of the company. It was up to you to work your way into the company. That was the totality of their program. I was assigned to the president's office. Now, as a young guy, that was fantastic. But I have to say, it was quite clear within six months that I wasn't responding to the carrot that they had. I looked back on it and said, "It had all the risks for a good New Yorker article," but it wasn't doing anything to respond to whatever was in my head about my future.

As I said to you earlier, I had always had public service in my mind and government in my mind. I had gotten this international feel to want to be international. Both through the law school and this intervention with USDA, this idea of development kept coming back through my mind. Somehow, I can't recall now, I applied to both AID and the Young Professional program at the World Bank. I was called for a last interview at the World Bank, but I had been taking so many interviews without telling my bosses in New York where I was going, that, frankly, I turned down the last interview because I couldn't figure out an excuse to leave the building another time! I really had no idea what the World Bank was. It's amazing how naive people are. So, I went down to AID and talked to people and asked how to get in. Not easy. I was told about a junior officer program that was Foreign Service, and a management intern program, which was GS. I had no idea of the difference between Foreign Service and GS. No one explained it to me. My father was continually being appalled because I was taking the Post Office exam, as far as he was concerned. I took the exam for AID. I took the exam, I can recall now, for management intern, consciously thinking of AID and no other agency. I wasn't interested in going to another. I had decided I wanted to go to AID or the World Bank. I had blown the World Bank, so it was AID. I took the exam and I had, like all management interns, a few offers from different places.

But I had the offer from AID and I took it immediately. It came through that exam, which was the management intern, I don't know what the process was for getting the JO, into the overseas program, which is the one I would have applied to if there had been some kind of a system to really explain to someone coming through the door how you got into the agency and what your options were. I took management intern because that's what I recall from the conversation I had with someone, not because I had the inclination to be a

GS employee. As it turned out career wise, it was probably a better option because promotions came quicker to GS people than they came to Foreign Service people.

One funny story about that: when I came in, there were numbers of people. Some of us were so-called "older," had been to graduate school and the Peace Corps, but most people were just out of school, as I recall. There was a woman whose name I'll remember forever: Henrietta Moore, who was in the personnel department. She had us in front of her and she said she didn't know how to assign the jobs that she had available. So, she put numbers in a hat and we selected numbers out of that hat. I can recall standing in line with a guy by the name of Spencer Silverstein. Both of us wondering what our parents would have thought, having spent this money on education, so-called picking our career out of a hat. By drawing a number out of a hat, I ended up in Africa Capital Development. That's how I started my career. That's how it happened. I didn't pick it. It was a number and that's where I was assigned. But, fortunately, I was assigned to an office where a young man who had come around and made talks to us as interns, who impressed me tremendously and did well with AID ever after, and that was Bob Bird. He made a big impression on me, so I was delighted to go to Africa.

*Q: So you were assigned to capital development. What was your responsibility?*

CYLKE: Well, Haven, you'll probably know better than I even, since you were in the agency.

*Q: This was in 19-*

CYLKE: This was the fall of 1966. I came in in September of 1966. At that time, as I recall, I just came to understand that AID had been put together by President Kennedy just a few years earlier and it was an amalgam of different agencies, including the Development Loan Fund, which was a capital bank activity which lent money for largely infrastructure activity: roads, highways, utilities, and capital facilities at universities. It was incorporated in but brought with it its own culture, which was a project oriented banking kind of mentality, into one agency, with another part that had been brought in from, I guess, Point 4 or ICA, which had a slightly different culture. It had less technical assistance, less project ties, less concrete, etc. So, there were some differences there. Also, differences in culture because I think the project offices were quite strong in those days. They had their own culture, their own institutional definition of themselves, which created rivalries actually within the agency. But I think, for a young person coming in, it gave a sense of institutional coherence, which was really quite, quite powerful and had a big impact on me.

The capital loan office had two divisions: one engineers and the other loan officers. Most of the loan officers were either business school graduates, lawyers or people inclined toward banking kinds of issues. They were given a certain kind of confidence because a capital project by definition has a certain concreteness to it, whether it's design (inaudible) and how a roads is a road, as opposed to how you could develop the institutional capability of a Ministry of Finance. There's a certain concreteness to it,

which lent a certain kind of businesslike atmosphere. There were 10 things that you were doing or 10 projects you were building. They had a beginning and an end. They had a definite cost. They had a certain way of getting around it. So that (inaudible).

Secondly, there was an esprit de corps within the operation, which I think was quite powerful. I had an immediate boss by the name of Don Gardner, who was a mentor. I don't know if that exists anymore, but we used to stay late after work and he taught me how to do benefit cost ratios. And he did it for other people. It was a definite kind of sense of bringing young people into the organization, training them internally, making them believe in their profession, loyalty to their unit, which is either good or bad within an organization, but was quite strong. The deputy director of the office, Al Disdier (we were known as "Al's Boys"), had a definite sense of mentoring young people, bringing them along, worrying about their careers, talking to them about where they would go next and what they would do. So, you had the feeling that your immediate supervisor was interested in your performance and teaching you. You had a sense of somebody who had a sense of your career and how you were going to move in the agency. You had a director of the office, Miles Wedeman, who I remember quite distinctly doing an analysis. I can remember as clearly as I'm sitting here today, I did an analysis of some kind of a report on something in Nigeria. I can't recall what it was. I thought I did a terrific job.

Because they tore this report apart. It was just a terrible consultant's report. Miles, the first time I ever met him, I was called in and he said he wanted to congratulate me on this wonderful report I had written, but he wanted to point out that the easiest thing to do in development was to find fault with things. The hardest thing was to do something positive. That stayed with me all those years, but what also reminded me, was that the role that he played that was a definite sense of the division chief to the deputy to the director. You only saw the director on rare occasions. But he was not only your boss. He felt he had a role in molding your career. So, there was that old fashioned tradition of the boss would give you the word of wisdom like your grandfather.

We were loyal to each other, but there was a real sense that you were being (inaudible) to perform a professional function within the agency. On the substantive side, I would say that while I think those activities were valuable, there were two things that I took away from the program that were not satisfying. One was the obvious sense that projects a country do not make. I think Egypt is the classic example of that, where I later served. We'd invested $13 billion. Wonderful projects. We've done sewers. We've done schools. We've done telecommunications.

*Q: We'll come back to that.*

CYLKE: But the important thing is that the sum of those projects, Egypt is not a terribly different place, except in the physical sense. So that's one thing that the capital projects just- As important as they are, and they are a building block of development, I think my own interest were looking for a broader kind of context in which to put those projects, even at that time.

Secondly, a concern about the role of economists, which I have to be honest and say that I was enormously frustrated that there was this tremendous emphasis in the capital projects on quantification of benefits. If you couldn't quantify the benefits, you couldn't do the project. My sense was that this was a heck of a way to define the future. We did these, what I almost considered to be artificial, economic benefits related to highways. Because we could count them, it became a high science of how to calculate cost benefit ratios for highways. Very difficult to determine the cost benefit for rural water. So, you'd do the highway rather than the water project, not because one was a better project, but because we couldn't develop a technique for assessing the benefits of water. I think suspicion of the role that economists had in dominating the development agenda just stayed with me. I don't mean to denigrate all economists. But the hold that they had on the agency, that development was really about economists, and it's probably about economics, but not wholly about economics, was another battle that has continued over the 50 years with AID.

*Q: You had that sense at that time?*

CYLKE: Very strongly. It was much too technical. There wasn't enough soul. What we were talking about, it seemed to me was building a nation. Maybe that came back from Ethiopia, that it was more than capital projects. It was even more than jobs. If you include, which I think is appropriate, a concern for civil society, for democracy and issues like that, within your definition of development, it's certainly about a heck of a lot more than economics. I think their hold on the agency's mentality is not a serious problem, but something that I noticed at that time. (inaudible sentence - due to static)

*Q: Did you have any sense of the bureau beyond the capital development office?*

CYLKE: I was young, so there were bureaucratic battles going on between the program people, who thought the capital people were too rigid, probably had too large a budget, were too autonomous, made their own decisions about where they were going to go, ran their own lives, were too mechanized, etc. At that time in my career, I don't think I had any real perception, and that was a problem, as to what the strategy was. In other words, I didn't know what it was we were trying to do in Ethiopia, what it was that we were trying to do in Nigeria. I knew that I was supposed to be building a highway in Nigeria. Nigeria was a country in which this project took place. But there was no conscious effort to have me understand what Nigeria's agenda was, or what our agenda in Nigeria was. I did not have, I think as a younger person, a very good feel for the bureau as such. (inaudible sentence - due to static). The assistant administrator, who I knew quite well later in my career and have enormous regard for, was some exalted god at that point in my time. There was no accessibility. It was an old-fashioned agency. I sometimes wonder whether it's just that I'm older, or whether the agency changed. But I think the agency changed. For the better or for the worse, it changed with the times. There was a much higher level of formalism, it seemed to me, in the system. Even your office director, you did not walk into your office director's office. You made an appointment. Miles was not approachable in that sense. But it's what I considered to be the kinds of offices my dad was probably brought up in: much more hierarchical. Standards were set and you achieved the

standards or you were in trouble and you didn't talk up out of line. So, no, I didn't have a great appreciation of the rest of the agency.

*Q: But you made a reference to your working on Nigeria projects?*

CYLKE: The projects I worked on were Nigeria-

*Q: What exactly were the projects?*
CYLKE: The projects that were most important to me was the Tanzam highway. I had the good fortune to meet the woman who became my wife, who was the assistant desk officer for Tanzania at that time. So, AID, despite all this formalism, had another side. She was an intern in the same class that I was, coming in in the summer. Tanzam highway was a big project that I worked on.

Another important project was the (inaudible due to static) in Somalia (inaudible due to static). Those were the two projects that stand out most in my mind. There was one other that (inaudible due to static). That was the only non-capital project I worked on. Remember, this was a capital project office, but there were three agencies (inaudible due to static) between loans and grants. That was a big distinction.

( several minutes inaudible due to static)

- adopted into a broader sense of the development family, not just my understanding of development, but the sense that my persona was tied up with development, with Africa. They were my friends, they were my boss. I want to stress that. It's really important to me to work in an institution where I was not - and I was junior, so I was not the great advisor coming from the outside; I was just another guy who had to find his way like everyone else. I worked with, for and about Africans and it had a big impact in bringing me into a much broader sense that I was part of a larger development drama that was happening in the world, and not just part of AID as an institution. Actually, I had very little contact with AID over those two years, virtually none. I had contact with the Embassy, the economic officers of the Embassy just loved the stories from the African Development Bank, and I'm sure got promoted (inaudible due to static). -was intrigued with the fact that I had a very close relationship with the Embassy. There was not an AID mission in Abidjan at that time.

*Q: There was no executive director?*

CYLKE: No, there was no American membership in the Bank. The Bank did not take membership at that time. Norm Schoonover was the AID representative in the town, but it was like the Peace Corps: I had no idea what he did or what the AID program, if there was one, in Abidjan was. I was in the African Development Bank and my life was there and devoted to that. I don't recall ever being entertained in Norm's house, as a matter of fact.

*Q: But you got a rich feel for the African culture.*

CYLKE: I think I was in almost every country in Africa on mission with the Bank. Of course, being with African Development Bank, I think we got access socially and professionally to people that we might not have gotten access to.

*Q: How did you find yourself being received as an American?*

CYLKE: Well, I think I was known as a too earnest guy. I think the general advice to me was "Calm down. Relax. This place works at its own pace." But, I think, by our social interaction, that people were in our house all the time, there was never any problem with my being accepted within the Bank. And you are privileged as being an American. Although you're not the expert, you're allowed to say things and do things and have a position because you are an American. I found that throughout my career. I didn't have many problems in the Bank. I had a happy time and a happy career. When we left, some of the African art we had around the house, that was the gift they gave to us. They sent an art dealer to the house, with a limit. He took me all over the city to pick out African art. It was a wonderful experience.

My next job, though, was the same business. This is how it happens again. You may have been at the meeting - I was on an African Development Bank trip in Nairobi. I was walking down the street at 10 o'clock at night and I ran into Al Disdier, who had been the deputy director of CDF, my mentor, who got me into African Development. He had just come out of a mission director's meeting. (inaudible due to static)

*Q: This was in 19-*

CYLKE: This was in 1968. He said, "I am probably the first person to know that this office is going to come into being (inaudible due to static)." I said, "My God, would I like to go to Nairobi." He said, "Well, you're the first employee selected. You can go to Nairobi." So, I went there with my wife, who was pregnant at that time (inaudible due to static), to Nairobi, which really excited me, to open this new office called "The East African Regional Capital Development." Still capital development office. There was one in West Africa, which opened before I left Abidjan. (inaudible due to static) came out. He was the director of that office.

*Q: This was (inaudible).*

CYLKE: (inaudible) when it was set up. It was called "EARCDO:" East Africa Regional Capital Development Office. Four projects were set up. They didn't have the support function that you have now. Recall that, I think, up until this time, the Capital Development Office stayed just in Washington. This was in '68, soon to be abolished.

Again, it was the Capital Projects office, so I revisited old projects that I had worked on: the water supply in Mogadishu, the Tanzam Highway, etc. But, at this point, something had dramatically changed. I think the economy of the East Africa office was really being challenged by the mission director, as was the Capital Development operation. There

were tremendous hassles with the mission director in Ethiopia (inaudible due to static), with the mission director in Tanzania, who was (inaudible due to static). (Inaudible due to static), who asserted the authority of the mission director over the program. It was the teaming of the capital development officer (inaudible due to static). (Inaudible due to static) due to its institutional history, but we almost felt that they were another agency. This was at a time when the agency was (inaudible due to static) of AID, which was being born (inaudible due to static).
The issues that were being argued over were not the most important things in the world, but they were perceived to be bureaucratically. It was quite clear that there was a tremendous amount of tension. Fortunately, we had a director, John Withers, who's greatest skill may be a diplomatic interagency, interpersonal kind of style. I remember saying once in the office, "Gee, John, you must have great confidence in us" because we were all young guys, seven young people in the office. He said, no, he had no confidence in us. His confidence was that he could get out of any jam you could get him into. I think that was fortunate because there were quite major battles.

But, at any rate-

*Q: Why did they create these two offices? What was the motivation for doing that?*

CYLKE: I don't know. You may know better than I. I would have a hunch that it was the sense that the Capital Development office was in Washington, wasn't close enough to the action, wasn't relating enough, was too removed. This was part of the argument that missions made. The next step, of course, was the abolition of that separateness of capital development and moving it right into the mainstream agency. This was an interim step, I think, on the way to that. I would assume that that's what that was about. Also, perhaps creating opportunities for loan officers, to keep them. Otherwise, they were going to leave the Africa Bureau and go someplace else. So, I wouldn't be surprised if that had something to do with it.

I only stayed a year. As it turned out, (inaudible due to static). My dad had passed away a month before we were married in '68, right before we went to Abidjan. My daughter in law died while we were in Abidjan. My mother died while we were in Nairobi. (Inaudible due to static). My wife was just horrified from this and she was going home. There was just too much to handle, so we just stayed a year and went back to Washington. Nairobi was such a brilliant living experience. My landlord turned out to be the number two in the Kenyan police, who I have seen as recently as three years ago. We've maintained a relationship over time. The former tenant of my house was a CIA officer. I'm absolutely convinced that this guy thought I was a CIA officer, because I lived in the house and he used to come and report. He used to come and tell me the most incredible stories about the inner workings of the political system of Kenya. I always wondered why I was selected to have these crazy conversations, but I think he thought I worked for someone else because my predecessor had. At any rate, I traveled a lot. It was a wonderful (inaudible due to static) carrying on of a project activity (inaudible due to static).

When I came back to Washington, it was really quite a dramatic change. The Capital Development office was abolished. So, that was the end of it. That was 1971. (Inaudible due to static) of the combined office, which took technical offices and the old Capital Development office and incorporated them into a central office. Another person like John Withers, with extraordinary interpersonal inter-institutional skills to smooth that (inaudible due to static) and a very successful person, Princeton Lyman, our Ambassador to Nigeria, South Africa, and now responsible for Refugee (inaudible due to static).

*Q: Now Assistant Secretary for International Organizations.*

CYLKE: Yes, International Organizations. I was made the director of the (inaudible due to static). (Inaudible due to static) for non-project lending, which was program loans, which were balance of payment loans to countries, sector loans, agriculture sector loans were becoming a factor there, some education loans. It was a way out of development bank loans. It was a way out of the strictly capital project business. I went to Tunisia and worked on an agricultural sector loan, where I learned an awful lot about how missions really worked, that capital development wasn't as in charge as it used to be. We were now going to be truly integrated into the mission. But what agricultural policy was really all about, what a mission was really trying to do, what development was really about. That had a tremendous impact, even though that office just lasted - I guess that was before Princeton came - that office only lasted about six months and then the office was abolished. I guess that's what happened, we were merged into this larger thing. So, I was looking for an office. This was a big change in the agency.

The Capital Development officers scattered to the winds. Most of them went to the Office of Housing. The Office of Housing ran projects. It was another capital office, in a certain sense. They ran housing projects. Very few of us went to the program side. We were considered, bureaucratically, traitors. I remember, "How could you do such an awful thing?" But it was hard to get a job in a geographic office because we had no experience in that, it wasn't our tradition, it wasn't our history. I went down to the Office of Central West African Affairs, under Fermino Spencer.

*Q: Before we go to that, anything more about your experience with the program loans?*

CYLKE: I can't go back and conjure anything out of that, except to say that, for me personally, it was the first step up and away from concrete projects, into a broader context of sector lending. Development sector studies had just given me a taste of that, but those were studies. They weren't actually making investments in things. This was, how could you put 30 or 40 million dollars into the agricultural sector? I think the premise was, rather than trying to affect a spot on the ground somewhere, how did you affect the configuration of the nozzle through which the resources flowed? In a certain sense, you could say that the old capital development project, if you took likened AID to going through a nozzle, you took one of the strands right down to the ground and built the factory or you built the irrigation system. The sector loan idea was, could you affect the configuration of the nozzle so that not only resources which you had would flow through that system, but other people's resources would flow through that system as they flowed

through that system would be flowing by it, to a changing interest rate policy, recipient criteria and things of that nature. That was where, clearly, I had been seeking to go. How could you have a bigger impact on the development process itself? How could you comprehend the development process in a broader kind of context? How could you affect outcomes and a much broader kind of thing? In fact, it wasn't important in my mind that an American build a highway as opposed to a Nigerian or as opposed to a Frenchman or as opposed to a German. But the question of how much money got allocated to highways was truly an important kind of question, as opposed to education or as opposed to something else. I had to get involved with that. It opened my eyes to those kinds of considerations, but I can't recall any activity that I worked on right now that- Again, it was a short time. I think it was less than six months.

*Q: Okay. Then you went on to Geographic Area?*

CYLKE: I went to Geographic area with Fermino Spencer. That was Central and West Africa, which was clearly a backwater of the agency's interest. We either didn't speak French- We had three offices. We had one in Dakar, Senegal; one in Yaoundé, Cameroon; and one in maybe Abidjan, but at this point I don't remember where the third office was. There were three. I got introduced to the whole business of what desk officers did and didn't do, what an AID director really was, what was the role of a Washington office - was it to fax stuff to the field director or to provide some kind of guidance to the director? I was probably more from the guidance school. I did or didn't learn the culture of the agency because you find bureaucratic tensions everywhere. Who was really in charge? Was it the mission director? Was it the Washington office? In the Central West African office, those directors were not full mission directors, so they probably had slightly less autonomy than the full mission director. There was quite a distinction between the full mission and a small mission. What struck me was how autonomous they were.

But I wasn't there more than three months and what was certainly not the first Sahel drought, but the first Sahel drought that affected that Agency for International Development dropped on the agency. It was 1972. So, a person who was the deputy director of a backwater office was suddenly in charge of the office that probably had more attention. That's when I did become aware there was an Africa Bureau. Sam Adams was the assistant administrator. I must have been in his office two hours a day. Don Brown was his deputy, who I came to work for later, who was a rather extraordinary combination of special assistant to Sam, general in charge of the drought. I mean, Don had this strange mixture of command and support in his personality that he could act either role depending on what was required. He could take a decision or support a decision. He could take an order or he could give an order. He was a rather remarkable AID administrator. I worked for him for three years in Egypt. Three years in Washington as the deputy assistant administrator. He took most of the responsibility for the drought activities. I must have seen him three or four times a day. Sam Adams at least twice a day.

A much broader PPC. Legislative Affairs, the administrator - it was a much broader range of affairs. I mean, you came to realize that a two line notice in The New York Times was enough to ruin a career. Maury Williams, who was the deputy administrator, was

particularly sensitive to anything in the newspaper. The range of responsibility from the State Department to the Congress to the NGOs to your own agency to your field directors - the complexity of an AID mission, I think, descended on me for the first time. After all, the private business was pretty self-contained.

We had a couple of tasks. The first was the job itself: how do you feed people quickly? You asked about themes. I'm going to come back to two right now.

One was the bureaucracy and how tough it was- Everyone didn't share the sense of urgency that we had. How did you motivate other parts to be interested in this thing, which was important because people were dying, but it was also important that your (inaudible). How did you get personnel to give you people? How did you get a budget? How did you do this? How did you even get people - we found in Nigeria- I don't know if you were in Nigeria in '72 or not, Haven, but the boats came into Nigeria. Some of the other AID officers had a heck of a time because of the bribery at the port and letting trucks go north, we found that younger people, who didn't know what the rules were and were more consumed with starving people, were betting at getting stuff though through the port, even though in a certain sense they were taking certain risks with the system. It was interesting to me just to note that older people, wiser in the system, not less concerned but knowing that there was such a thing as an inspector general, there were such things as rules, were sticklers. It wasn't just youth. Younger people either didn't know that or weren't concerned with moving the stuff, so you (inaudible) about the bureaucracy. But then (inaudible) to this whole debate with economists: was it better to feed people or to set up a system that would feed people over time? While those arguments are easy to understand, I used to often wonder what those people would say to Saint Peter, that they left a million people starved because it was better that they have a pricing system. I had occasion to come back to that again in Ethiopia years later. Tremendous tension. I have respect for the people who took the economists' point of view.

Then again, development's about something more, to my way of thinking, and the Agency's about more than just development. It is about people living in desperate circumstances and how do we improve their lives? Part of that, for many people, is simply eating. In this country, there still is room for those people who are locked out of the system. Sometimes I think that those of us in development lost sight of that. We became so concerned with the system that we lost sight of the human beings who lived in it. At any rate, those were the tensions that existed. But the experience was broader than that. It was first the emergency phase, then the Congress or the Agency or somebody wanted to put a lot of money out there, so we had to come up with programs (inaudible) on feeding.

I recall, we dispatched, I think, 20 teams to the Sahel. We had five people for each team, send them to different places, get them briefed, get them out there to combat the projects. We scoured the country for the best scholars, for the best program officers. Guys like Jim Kelly, Roy Stacey were heads of these kinds of teams. These people almost made a career out of not just disaster, but out of what I'd call "quick programming," and I don't say that

in any kind of denigrating way. The people had quick insight, knew how to scope a problem quickly, knew how to shape a program to be responsive to that, how to move it through an organization. It was quite a drama of trying to find the people to staff 20 teams, to get them into the field, to get them support. Then the decision was to open 10 offices in the Sahel, so we had the whole administrative thing. I can recall, we set up with personnel a common format - how do you have a filing system? We gave each of those officers a template: how to set up his files. We prepared a book with McGraw, I remember, with two women from Rural Management Planning. It was really an incredible 15 hour day exhilarating kind of experience - all the way from worrying about whether people were starving to setting up new offices, to getting teams out there and getting programs started, to working with rather remarkable people.

Here, I would have to mention, I think, (inaudible) Sam Adams, who had a breadth of compassion and an elliptical style of trying to encompass the breadth of the Sahel and the enormity of the significance of what was happening in the Sahel. The man had a verbal way of writing the report, but he had a way of communicating the importance and the significance of what we were doing that truly made it a remarkable experience to come to work every day. You clearly had the feeling that you were working with someone who cared, and someone who put you into the context of saying that you may be just setting up a filing system for an office, but it was vitally important to development...tremendous impact.

(Inaudible) Don Brown, who was a stickler for getting things done. There were different styles in AID, too. Some directors spent an awful lot of their career trying to find the best person to work for. I think Don Brown's approach to life was, the general body of AID he thought was pretty good and you got the best out of what you were given. He didn't devote the better part of his life trying to recruit a stable of people. He pretty much picked what came to him. Having said that, staffing 20 offices- It did occur to me then when we were staffing the offices that the benefit was always given over someone you knew over someone you didn't know. If you were in Washington and you were a C performer, you were apt to get the job over a field person who was a B performer or an A performer. (Inaudible) That notion of coming back to Washington on tour - if you didn't come back to Washington on tour, you weren't going to get the good promotions in the system. I mean, just (inaudible) emphatically (inaudible). We staffed 10 offices, and you'd bring names up and there was a tendency always to go for a known quantity over an unknown quantity. Having said that, I thought Don's unique capacity was to get the best out of people (inaudible). He wasn't a too dominating, towering kind of personality. There were other personalities engaged in the activity, but they were towering personalities.

*Q: What about some of the issues though? Responding to the Sahel, there was a lot of controversy about AID's response and whether it was moving fast enough, whether we were doing the right thing?*

CYLKE: I'm glad you mentioned that. It's hard even to go back to that, but it was clear to me that that elective NGO stuff, AID was moving fast enough. It's how they raised money, it's how they did their thing. The Congress had a dialectic. They had certain

things that they wanted to say. There were staffers who had careers to be made. The Agency had certain things to say. I think, on the merits of it, my sense of working for AID was that AID was and probably still is magnificent organization, rising to challenge and being responsive. I mentioned the tensions that exist within an agency between those fighting to keep resources away from just going to feeding. People were concerned that the trucks weren't moving fast enough. My sense of the Agency again was that, to those emergency situations, there was a group - (inaudible) is another name that comes to my mind, Jim Kelly, Roy Stacey. There was a group of people who thrived in that kind of an environment. My sense was, not bureaucratically, thrived on the immediacy of the returns that they got from that job of seeing things move, of people lives being affected in an instant. I think the Agency did an outstanding job. I don't know that the Agency fully, today or then, understood the dynamics of the desert culture and what was happening ecologically to that region, and whether you really should be trying to keep people in that region or it should be treated more like a West Virginia: let people move out of (inaudible). Those big issues were talked about around the edges. There was not a development plan at that time like one might have had thinking about Tanzania. I'm not entirely certain that having a long term development plan in Tanzania gave you a better result, by the way. This was consumed with fast moving, but there was a constant bias to move away from emergency and move into something longer term, to move toward development.

*Q: And what were the kind of things that you were trying to do?*

CYLKE: There was Lake Chad development. How could you deal with the Polder area around Lake Chad and resettle people? There were livestock kinds of programs. It was partly technical. How do you maintain larger herds on a very fragile ecosystem, two pricing systems, two marketing kinds of systems. But, again, I don't know that we had a richness- I think we were still consumed with projects. It was a broader context, but we did not have a rich history in these countries. We hadn't been there- We had been in parts of Northern Nigeria, I assume, but most of our work was on the coastal countries. We didn't have language skills. They were weaker governments than one could possibly believe. We were competing with another major donor: the French. I don't recall, with the exception of people like Princeton, Warrenton, Ed Hogan- There were some people who were trying to raise longer term kinds of issues. My sense was that it was always biased in that direction, but I can't describe to you the sense of daily amount of work that had to get done to move meat, to answer the Congress, to fend off the PVOs, to have a press briefing, to write papers, to get people staffed. It was an operation much more than it was a think tank.

*Q: There wasn't any clear strategy or function?*

CYLKE: I think the strategy was that we were going to get out of emergency. We were going to start these medium term programs, which was to consolidate, not to go to long term development, but to consolidate. There was a strategy in that sense, that you had to move out of the emergency phase and move into the consolidation phase. You had to save what agricultural lands you could. You had to save what herds you could. You had to save

what villages you could so that people wouldn't all come to the cities. David Shear had been the head, I think, of the regional office in Abidjan. David was brought in to take it to its third stage, which was the broader development kind of context. That would have been in 1975, I think. David and I were not great pals. It was impossible that I was going to be David's deputy. I felt that Dave would criticize me or I would criticize him. I was almost running the office at that time. Fermino was still running the development program (inaudible) the drought came to the program. So, to step back with David coming in at that point would have been hard psychologically. Sam Adams did that. They called me upstairs and they said, "You're not old enough. You're not ready to be the director of this office. David is. You're not the right man. We'll see what we can do."

*Q: But you were really the focal point of the whole relief operation?*

CYLKE: Yes, at that time.

*Q: And it wasn't anybody outside. It was you plus Don and* Fermino.

CYLKE: Fermino really had opted away from the drought at that point to maintain the (inaudible). I don't think anyone knew where this was going to go. (Inaudible sentence due to static.) -the opening of eight commissions. We had a major Sahel program. So, (inaudible due to static) the deputy director of (inaudible due to static) or Eastern and Southern or just East Africa. I can't even recall what the office was. (Inaudible due to static) I went up and became his deputy for East African Affairs.

*Q: You were meeting with Congress during this time?*

CYLKE: Sam Adams, you may recall, had cancer at that time and could not speak and was going through radiation. Don, for one reason or another, rarely testified. I don't know whether he thought it was the better part of valor or he didn't like valor or he was too busy. Fermino really didn't testify much, unless it was on the drought. I was up at the Hill with Sam. We were up there quite a bit. Sam had regular radiation treatments and would just leave the hearings when they weren't so (inaudible). I was a young man. I think I must have testified five or six times, quite a heady experience.

*Q: How did you find that experience? Who were you testifying before?*

CYLKE: (Inaudible due to static) in my mind. Most of the people (inaudible) weren't responding fast enough. What were our predictions? I remember saying to them once, "I'm not a weatherman." What were our predictions for the future? I can't remember much more. I remember that I was as busy as I've ever been in my life. I can remember sitting in this (inaudible due to static). (Inaudible due to static) a stack of paper that was this high every night because you couldn't do anything (inaudible due to static) during the day. The person I worked most closely with in the office was Hariadene Johnson, who was another classic AID officer who had a unique conceptual grasp. Hariadene and I had an overall point. We had talking points. I did remember most of the (inaudible due to

static), but she had an extraordinary aura. It was something that happens in AID and I guess it comes (inaudible due to static).

That's what's special about it. I don't know if it's anything more than a way of looking at how a society organizes itself. The socialists took it to an extreme, to actually organizing development plans and tried to essentially run everything. I think that development to me is simply a prism through which you can look at how society organizes itself to achieve an event. If that's what it is, then it shouldn't be owned by an economist any more than it's owned by a technical kind of person. It really takes, to me, a professional generalist kind of view. I think there were people in our agency and it's a hard skill for me to describe because it's not a discipline. It's not economics; it's not physics; it's not agricultural economics. It's development. I think there are some people who just stand out in your mind who had that ability to take in these myriad strands into a coherent framework and to try to understand how a society was trying to move itself forward. Princeton Lyman is perhaps the quintessential person with that vision, I think, in my career experience - one of them. Hariadene Johnson, I would have to say, is another one of those people who I worked closely with and went on to have a very important role. The question then becomes: did those people have too important a role? Did the development have too little grounding on economists and technical people, which is the danger of it all. That was always the criticism of program people. There was always a happy medium, but I would favor the person with the breadth over the strictly technical. I think the Agency had a (inaudible due to static) people who- One way or another, the Agency was able to (inaudible due to static) into positions of responsibility over time. I'm going to jump forward. I think there are fewer of those people are around today than there were 10 years ago. It may be my age speaking.

So, I went up to East Africa. There, there were two things to accomplish. The coup in Ethiopia. Princeton Lyman was trying to wrestle with that. (Inaudible due to static.)

*Q: He was where?*

CYLKE: He was the mission director in Ethiopia. There was a coup in 1975 (inaudible due to static). He tried to support an AID mission which (inaudible due to static) had a development premise and a political context. Political relationships are a little different and were, I think, the development heart. I found this myself. I had to come to grips with this in Afghanistan subsequently, where the development heart almost goes to the leftist rebels, who are ultimately disappointing, either because they're cruel and without any kind of (inaudible due to static). They have half baked kinds of ideas. (Inaudible due to static) the leftist to basically articulate a development line, who, in almost all cases that I'm aware of, disappointed because they couldn't deliver and they were cruel and miserable and outside of the realm. I've seen that in so many different situations, where AID directors were (inaudible) by that experience.

Then there was the Southern African experience. Again, to look at my own career, I touched on some fantastic kinds of experiences, whether it's drought, the Ethiopian Revolution, which has happened in other parts of the world. Somehow, the Selassies,

even though he could proceed, he couldn't make that with the rising aspirations and politicalization of the society. I was at the beginning of (inaudible due to static). (Inaudible due to static) the emergence of South Africa (inaudible due to static). The whole of South Africa really wasn't any more on our mind than (inaudible due to static). The Southern Africa strategy was imported with aid development goals because we were interested in developing those kinds of (inaudible due to static). I would say, after the Sahel, having gotten the taste of wanting to do something bigger- This was not an emergency program like the Sahel. We were not shipping in food. We were not doing things. But it was an emergency program in the sense that we wanted to do something, but it was the opportunity to have a broad (inaudible due to static).

Jerry Knoll was the office director. So, I was the office director in '75 for East and Southern Africa. I was deputy director for a year. I went and interviewed to leave the Agency at that point and go to the Peace Corps. That was an important point in my career. I had decided that I'd had enough of AID, AID was interesting. I really wanted to move on in a foreign service career and into a broader sense of engagement. I interviewed at the Peace Corps to be director in Malaysia, which I thought would be wonderful. I think I was disgusted with the Agency for one reason or another, which happens in any career, I assume. Anyhow, I didn't get the job and I was made the director of East and Southern African Affairs because Jerry had moved on to another bureau.

*Q: You covered quite a range of countries then.*

CYLKE: But my whole effort was Southern Africa. We undertook a major study, which you'll recall because it was just before the election and just before you came in as deputy assistant administrator. This was a monstrous kind of effort - in retrospect, probably ill-fated, but it was a study of Southern Africa, contracted to Louis Berger and Company. They hired a group of people and we did studies of however many countries there were, nine. Then there was an over-arching, drawing conclusions from the 10 studies, which was directed by Ed Hutchinson, who had been head of the Africa bureau. That was my introduction to Ed. So, I had never really worked with him in his role as AID assistant administrator. But I worked with him in this role and he was a rather extraordinary person, I think. Another person with a development good common sense - maybe he was an economist, for all I know; I don't know what his real professional background was, but he was a development person in the broader sense and had interesting kinds of insights, I think, into what was happening in South Africa.

*Q: You're speaking of-?*

CYLKE: Of Ed Hutchinson in that context. I thought we did an interesting study with two major mistakes, out of lack of age and lack of understanding. One was the political side of it. You can do the best study in the world, but if you don't bring the political process along with you, you haven't brought anything along with you. It's easier to go into a room and do a study. But the fact that a study is not a study, but a political process of engaging people around ideas I don't think was as clear to me. I was more obsessed with the study than with the political process. That was one point.

The second point, from my observation, and you, if you'd been in it, you'd probably have your own observation, was the fact that (inaudible) the outside world. I was just beginning to understand. I got a taste of it in the Sahel, but I got more of a taste of it in (inaudible due to static). After all, Southern African policy was largely conceived of and brought into the public arena by outside NGO groups. The State Department resisted that movement for about 20 years perhaps. The Agency couldn't move into that area really without the State Department go-ahead, so there were a group of people outside the Agency who were as much a part of the policy process as people inside the Agency. I (inaudible) my awakening to that (inaudible due to static). (Inaudible due to static) the State Department isn't just the State Department worked in a much broader political operation (inaudible due to static). I don't think I ever had a full appreciation (inaudible due to static) domestic as well. (Inaudible) in the Sahel much more broadly here.

*Q: What was the purpose of the study?*

CYLKE: The study was to lay out a development strategy for the Agency, for AID's development work in Southern Africa over a 10 year period and, I think, envisioning a major program. I'll say $100 million. I don't know what it was. I don't think the program ever came to be, but there was a premise that there could be (inaudible due to static) for that kind of program. The study ended almost the day of the election. There was a Republican (inaudible due to static) the new administration quite apart from my own political misjudgments of that that, if there was going to be any kind of a study and a stamp on $100 million, it should be the stamp of the new administration, not the old administration. That's what might happen. Unfortunately, I had another job offer, which was to go overseas to become the deputy director of the mission in Afghanistan. (Inaudible due to static) Stacey came in as director as AID had come into the Sahel and that was the end of my relationship with the Africa bureau, not in a (inaudible), just bureaucratically. There are different roles. Our agency was geographically- very different cultures than other agencies. When I left the Africa bureau, the understanding was that Roy then reconstituted that major study of $100 million under your director, or at least under your tenure. I think many of the ideas that we had were picked up somewhere. That was the product of the (inaudible).

*Q: But you were caught in this shift of administration?*

CYLKE: Yes, that was my first introduction to politics.

*Q: And wrongly, you were then identified with the previous administration, as though you had those views, when that wasn't necessarily the case.*

CYLKE: Yes, I think part of it, as I said earlier, was really understanding that what we were about was not just an internal AID study. We were involved in something that had important interests at stake, and not just important NGO interests, but important political interests at stake. In fact, to be an effective AID officer- I think State officers may have a better appreciation for this, but maybe not. I don't even know. The issues that we were

dealing with were going to be dealt with in a much more pluralistic kind of political environment, that the university community, the NGO Community, the political community, the White House itself, was going to be much more involved in this process. So, if you were to conduct a study, if you wanted the study to influence policy, if you hadn't engaged those kinds of people, there was going to be no win. (Inaudible due to static) another political party anyway. I think it was a mix (inaudible due to static). That's what happened. At that point, I left the Africa bureau.

Memories of the Africa bureau- I think that, if fact, the bureaus had different cultures. The Africa bureau was criticized by many people over the years as being too (inaudible due to static). More ideas were able to circulate in the Africa bureau (inaudible due to static). We had problems that people were really trying to wrestle with, but it was a place where you felt you could come in the morning (inaudible due to static), get an idea up on the table, get a hearing. It was a constitutional (inaudible). If you were decided against, you went away. You didn't go away angry. I think everyone had a sense that they had a hearing. There was no sense of a bureaucracy that was putting you down. I never had an instant where I didn't think that, as a young person, I couldn't put an idea on the table and get a fair hearing. (Inaudible due to static) I think it went away (inaudible due to static). It worked for Don Brown. I think you always had the feeling (inaudible due to static). If you didn't understand it, somebody would explain to you the dynamics of why the decision took place. It was not an autonomous (inaudible due to static). It was a very human place and I think those people were consumed with concern for Africa. Camaraderie within the office- Even with the jealousies between the offices, there was a sense of professionalism and good camaraderie.

*Q: What was the sense of the outside attitudes about the bureau at that time in terms of getting anything done?*

CYLKE: We didn't accomplish things that were (inaudible). There's another side to that. When I moved into the Near East bureau, it was owned- Whereas in the Africa bureau, I think the program people won the battle and the dissolution or the merger of AID, in the Near East bureau, it was won by the capital development offices. They took over the bureau. The culture was strikingly different. It was run by the triumvirates of three people. There was no sense of a bureau that broadly participated or ideas where at a premium to be on the table. There was a culture. There was an attitude and you really fit within that attitude or you didn't fit. I think in the Africa bureau, too, there was a much more open respect, engagement, or maybe you couldn't control 30 mission directors overseas. In the Near East bureau, the Washington crowd was as powerful as- Even though you had the big missions, it mimicked the missions.

*Q: (Inaudible)*

CYLKE: Joe Wheeler, with whom I had a very good relationship and later became the deputy administrator of the Agency, was the assistant administrator. Al White was the deputy assistant administrator of the Agency. Brad Langmaid and Cy. These were four very powerful people. It reminded me much more of the old CDF than it did of the old

Africa bureau, which is not to criticize AID. It was a different culture. Projects were at the premium. No one discussed as much the future of Afghanistan as they talked about the Helmand Valley project. We didn't talk about the future of Pakistan. We talked about a project in Pakistan. It was a capital development culture. There was still big money moving into those programs.

*Q: Were there country strategies?*

CYLKE: Probably, but in Washington, it was a project discussion. In field missions, I'm sure you had the famous old AID directors out there, and I'm sure there were country strategies out there. Bright people, economists, etc. But in Washington, it was a very project focused thing. I'll skip Afghanistan for a moment and go to Egypt. The Egypt program didn't really have an overarching strategy. It was a collection of projects. It wasn't possible to have an strategy because Egypt wasn't going to move. My other sense is that development moves not in response necessarily to strategy, but also to waves. There is a moment in time when democracy is possible. There is a moment in time when liberalization is possible. These are big waves that people ought to get behind. There was no big wave moving through Egypt, so you were forced to projects.

When I went to Afghanistan in 1977, there were two big issues. One was downsizing. The mission director was told to bring down the Afghan mission. It was clearly the end of the Reich, or the end of the old-style mission. We had twice as many automobiles as we had staff members.

*Q: Who was the mission director?*

CYLKE: Chuck Grader. We had three times as many drivers as we had staff members. We had a compound where every office had its own building. It was an incredible display. We had a fire department; we had a hospital; we had a morgue; we had a movie theater; we repaired the cars for all the people in government. There were salary supplements that went to almost everybody in government.

*Q: This was run by AID?*

CYLKE: This was run by AID. The country was run by AID, as far as I could see. In fact, when, Chuck was sent out to dismantle this mission, one of the first things he did was he gave the fire truck back to the city. It was a great big, old fashioned fire truck. I got a call as the deputy director one day, that there was a big fire downtown, and could I send the fire truck? I said, "Well, I'm sorry, we've given that back to the city." This voice on the other end of the phone said, "That was a mistake." So, there we were. So, Chuck did a RIF of some 300 people. I just remember going into the lounge or the staff dining room the day after the RIF and we thought there were as many people leaving as there were the day before.

*Q: Were they Afghans or Americans?*

CYLKE: Afghans. Well, there was also a reductions in Americans, but the big reduction was in Afghans. It was the major dismantling, at least in my time. Chuck Grader was consumed with that issue. However, we had an extraordinary mission.

*Q: Were there some political drives behind this or was this budgetary?*

CYLKE: Budgetary, as I recall. I never knew how much of it came over from Washington and how much of it came from Chuck Grader. He was seized with the issue when he stepped off the plane as the director. Whether he was really told to do it or whether-

*Q: There must have been some political context that was supporting the shift.*

CYLKE: I remember, it was one of the great conversations of the Agency. They had safe driving awards for the Afghan people in the Agency's newspaper. I think Chuck had a note from the administrator, that noted that there were more drivers than there were staff members of the mission. So, I think there was some pressure.

This was at the time of the poorest of the poor. AID was going to take a new direction. It was going to be committed to the poorest of the poor. We had a mission staff with people who turned out to be- I mean, I've been in a lot of missions with a lot of people. You can't help but be in an AID mission and have dealt with everybody whose been anybody. In Afghanistan, Larry Saiers was our program officer. He was a very strong-minded guy who ruled the Africa bureau for years later. George was one of the very distinguished AID directors. He's now in Nicaragua and is the one person who was younger than I. But I would say that I would consider that he mentored me. He managed us quite effectively. He was one of those people with a broad development vision. I've talked of Don. Dale Pfeiffer was in the program office. He later became an AID director in the region. Very strong technical offices. We took the place quite seriously.

We said that we were going to move the program to the poorest part of Afghanistan. We were told in no uncertain terms by Washington that we weren't going to do that. We were going to put it in the Helmand Valley, where the Agency had been for 40 or 50 years, with their major project. I remember, there was a tremendous controversy between our mission and Washington. We believed that we really were following the new directions and had the sense that Washington was really coping with the new direction but hoping to keep the program going.

*Q: What was your understanding of the new direction strategy or policy?*

CYLKE: As I recall, at that time, it was direct interventions in pockets of poverty. You went to the poor sections of the country.

*Q: And you understood it as poorest of the poor, not just the poor majority or the working poor?*

CYLKE: We did an analysis of the country. We picked the poorest places in the country. We picked the places that were not just poor, but were abused, that were starved for resources. We didn't just pick the desert and decide that we were going to make the desert bloom. A place with some development prospect but had been systematically left out of the process.

*Q: And with development prospects?*

CYLKE: With development prospects. There was a tremendous battle with Washington over this, which we were surprised at. It really, as far as we were concerned, was headed to "This Agency has had an investment in this other part of Afghanistan over 30 years and we're going to continue that kind of investment."

It was my first time in a mission. I had been in the Agency since 1966. This was 1977. I'd visited missions but never served an hour in a mission. I'd gone in as deputy director. So, it was also a learning experience for me. That was conscious. Almost each technical director decided I needed to be educated and this was probably true. I can remember, each one of them took me on at least a two to three week trip to the countryside. Afghanistan was a little school for me. There was also a revolution in the middle of our first year. The mission was kept in place for a year but we did no work in the second year because there was no way to deal with the government. We tried, but we couldn't really do a thing. We ran an internal development study program. Larry Saiers, George Myers put together an internal development study program. We had World Bank documents; we had regular courses and seminars for ourselves. I learned more about development, I think, in Afghanistan than anyplace. We had time. Young people just got themselves organized. They said, "This is silly. We're sitting out here writing papers which aren't getting approved by anybody. We're not going anywhere." The Afghan government didn't exist.

*Q: Funds were all frozen?*

CYLKE: No, we had funds, but we couldn't sign an agreement. The Afghans wouldn't sign an agreement on anything. It was in the process of disintegration. You couldn't find clothes. I would say, for a year, we operated and then the coup came. We had good intentions for six months. It then started getting dangerous. I left in May and I think everyone was out by October and the Russians came in December. That was in '79. That was a case where you clearly had a sense that the place needed a revolution. It was not a feudal situation like Ethiopia, but you had a small group of people who ran the so-called "country." They ran Kabul. They got the customs duties. They got foreign affairs.

You then had, I think, a genuinely homespun revolution. (Inaudible due to static) those people weren't really ready to take over Afghanistan. They had no interest in taking over Afghanistan. They had a revolution. The loss of young (inaudible due to static). School teachers became mayors of towns. Girls were given education, universal education. All kinds of wonderful aspirations came up on the table in an attempt to (inaudible due to static). It was not like this Taliban that's there now, that's squeezing women out. At that

point, it was purely a liberating revolution. Let's get girls into schools. Let's get schools built. Let's break the hold of Kabul and get some money out for the regions. Let's have land reform. There were school teachers. There were people who had rhetoric. It wasn't a trained (inaudible) of people. They didn't know the first thing about government. Of course, at the government level, you couldn't do (inaudible) everything else was thugs. I remember negotiating with (inaudible due to static) with no sense of where they were going. But it was clearly an idealistic thing and naive.

*Q: Where did these young people get their ideas?*

CYLKE: There was, obviously, a very well-organized communist party in the country. We had block wardens in our house the day after the coup. (Inaudible) and I were arrested the day after the coup and held for 24 hours. Our families were notified and the Embassy was notified that we were gone. We were arrested on our way to work (inaudible). (Inaudible) had been seen going around on the weekend with his radio car (inaudible due to static), so they were after our license plates going work. This director, by the way, prided himself on always being late to an Embassy meeting (inaudible due to static). The Ambassador wouldn't start the staff meeting. This was the first working day after the revolution, but we never showed up. So, apparently, before they realized we were gone, there was hell to pay at the Embassy because this was just (inaudible due to static).

They took us to the zoo, walked us in the zoo, which was frightening in its first instance. As it turned out, it was to get us off the street. It was interesting because, during the day, there was discussion in the Embassy, "When should we tell our wives?" They came and told our wives that we were gone, told Washington. I asked if, since we had diplomatic passports, could we contact our families? We were told, "No." But their families were also worried because they were still fighting a revolution. This revolution was just a two day affair. About six o'clock at night - so this was from eight in the morning to six - they came in a car and took us somewhere. At that point, I was more relaxed, but we still didn't know what was going to happen. We were taken to the Foreign Ministry. There was an American Embassy officer out in front of the Embassy. He was just stationed there, looking for us, I think. He waved to us. So, I felt like at least somebody knew we were alive. We were taken in to new people in the Ministry (inaudible due to static). This was the first working day after the coup. They went to find out what we were there for and who we were. It was interesting. They came down and they said that they had a message they wanted us to take to our Ambassador, would we do it? "Oh, we'd be delighted." It was interesting: they had this list of things they wanted to get through on this first day. We were clearly on the list, but they didn't get to us until six o'clock. It was a fairly orderly procedure. The message was: "Tell your Ambassador that you Americans are being seen in more places than you need to be seen to get from home to the office." We dutifully delivered the message.

*Q: That was the main problem?*

CYLKE: That was it.

*Q: They thought you were-*

CYLKE: We were. I wouldn't call it "spying," but we were all over town, in the markets and everywhere. But they were in charge. As I say, there was clearly something the Embassy hadn't understood: a very well-organized communist party. We had block wardens that were in the house that day doing inventory. It was a very well-organized thing, but it put the future in (inaudible).

*Q: Let's go back a minute to Helmand Valley. Did you have much exposure to that project?*

CYLKE: No, I can't say any more. The Helmand Valley ended up with a terrible technical problem. We had done the capital project. We had irrigated the land. The salt had reached up to the soil, so we were down there, essentially digging the whole Helmand Valley out and replacing it with clean dirt. It was a technical machine. But, in fact, in Afghanistan, like lots of countries, you saw- I mean, the evidence of AID in these countries was always extraordinary: health clinics, schools, irrigation projects, electricity. If nothing else, the capital projects in its day not only was important to development, but left a standing memory.

I can recall later in India, where we were not doing capital project. We were doing institutional things. We had a visit from Washington. It was AID's dilemma of where to take your visitors. In fact, there were conditions. They wanted to see things, not talk about ideas - the bureaucrats. (Inaudible due to static) it was pretty easy to organize your tour around a road, a highway, a school. It was much more difficult to organize a trip around price policy.

*Q: Could you get any sense of whether the program was having an impact in Afghanistan before the coup and all that?*

CYLKE: Well, I think you'd have to say, like all these countries- To me, in my view, if you're not riding the wave, you're not riding anything. You can construct all this stuff, but the fact of the matter is, we were a group of batons in Kabul who had no interest in the rural countryside. You had a rural countryside which had no interest in having any evidence of a central government in their neighborhood. There was an anti-development attitude inherent in the culture. So, no, I think we had a political presence there, but we had no real development - nor did the Russians.

I had already made a decision, frankly, that the program- You know, this was my first overseas experience. Comment on the AID bureaucracy. A mission was a mission was a mission was a mission. So, you had a director, a deputy director, all these technical offices; you had a rather small program. There was no need for a guy with my energy and a director with Chuck Grader's energy to be in the same mission. Not that we got in each other's way, but there just wasn't enough room. So, I had already made a decision that I really wanted to leave after two years. There just wasn't enough growth. Again, this was even before the coup. There wasn't going to be enough growth in the job. I learned a lot,

but I needed to know about the administration of the mission. I grew, over my time in AID, to have enormous respect for technical officers. I've talked about people with the prism and how much I regarded them. I guess I regard AID well, but I thought also that the technical officers in most missions were just extraordinary. A guy like Ray Forbes, who ran the agricultural program in Afghanistan, who later I brought to Egypt, who spoke fluent language that lots of agricultural officers prided themselves on, had a tape recorder like this, was always listening to language, to make sure that he could do it. Your technical officers bespoke of that kind of commitment. Superb relationships with counterparts. I guess I just wanted to make sure that I didn't lose- There was always tension in this Agency between program officers and technical officers, but they both had their roles. I learned a tremendous amount from Ray. The health guy's name just goes out of my mind right now. My program ideas, which I've always liked to think I have these ideas, who then took me for three weeks through rural health clinics- Talk about mentoring, they saw a young, brash deputy director come and decided they'd better educate this guy. They did it in a very conscious way and I would never give up that Afghan experience from that point of view.

Then I served in Egypt and in India and in all cases, just superb on the technical side. I'll come back and talk about it later. What happened was, I think in the Agency for International Development also, a little bit of what timing- You have to have some skill, but luck and timing is really what it's all about. Don Brown happened to be looking for a deputy director in Egypt. Although it wasn't the end of my tour, the revolution came, I wanted to get out after two years. Don had worked with me in the Sahel. As I said, a known quantity was always better than an unknown quantity. So, Don wanted me to come up to Egypt. In a career sense, it was a big jump.

*Q: With your capital projects orientation-*

CYLKE: Yes, so I went up to Egypt. The other thing though about Egypt was, you know, at that time, I can remember walking down the hall of the Agency and someone stopped Don and said, "What are you going to Egypt for?" It was a curious instance. A curious instance was considered a pox, I think. The Agency had lots of "can't" about it. Development assistance was good and security assistance was bad. It was political. I think a lot of people thought Don was committing bureaucratic suicide, going off to Egypt at that time. It was a silly assignment for him. Of course, the mission hadn't grown to its size at that point. I think it was just moving from $300 million to $1 billion.

*Q: This was what year?*

CYLKE: I went in '79. I think Don probably went in '77. Even then when I went, people asked me what I was doing. Was that the right career decision, going to Egypt? The Egypt didn't have its bigness. It had just gotten its billion dollars. I think I went because it was a big program, obviously, and Don Brown was somebody I had worked for before and just had enormous respect for. I thought, "What an opportunity to go and learn something." So, I went to Egypt.

In Egypt, you learned that a lot of people's deputy is what the director wants. There is no job description. It was clear what Don wanted. He wanted two things. Don had tremendous responsibility in terms of this. I think he's the one who reinforced in me this interest in technical officers. There was a tendency on my part also to go with your program officers and we had good ones. That office is unique. Fritz Weden, who is now the deputy assistant administrator of the Asia bureau, was the program officer. George Laudato, who was his predecessor in that job in that job, was the program operations officer. Jim Norris, who was probably one of the most distinguished directors in AID history and recently has just returned from Russia, was our program economist. John Blaston, who was the director in Pakistan, was our regional sociologist. It was just an incredible staff of program people. Don made it quite clear that, as far as he was concerned, his technical directors ran his program. Program people were interesting. They could have their insights. They were part of the social coterie with which Don Brown traveled. They had a lot of extra bureau influence on his thinking. But the program was shaped by the technical directors. Don had enormous confidence in them. I think he just made it crystal clear to me that they were running the program, not the program office. That was really important. And they were exceptional people.

The job, as far as Don was concerned, with me, I think, was twofold. One was, you had to obligate $1 billion a year. There were tremendous pressures within the mission, particularly in education. They would have a whole bunch of $3 million projects and $4 million projects. It took a lot of those to add up to a big number. You could never tell how many of those guys could deliver on what they said they would do. The capital guys were always looming in the background with a $400 million sewage project or something.

My job kind of was to make a judgment as to how all these programs were moving forward and what we could obligate and couldn't obligate and to make sure that money got obligated in the end. So, you were a troubleshooter in a certain sense. You were managing a portfolio rather than projects. I guess I was more like a program officer in that sense and I'll come to that in a minute. The other thing was that Don, I think, was so consumed by his work that he didn't have much of a sense as to the pulses in the mission: who was happy, who was unhappy, was housing really eating people up, whatever it was. He had a deputy before me who was more like himself. He felt that he didn't have a handle on what was really happening culturally or socially within his mission. He had an awful lot of people who had to get an awful lot of work done. I don't want to call it "morale chief," but he needed to know who was upset, who was angry, was housing really an issue, and to get those problems solved so that the mission moved ahead.

*Q: How big a mission was it then?*

CYLKE: I think we had 100 to 125 Americans. I think it ran very well, but Don was all business. We didn't have an executive office. He refused to have one. He allowed the Embassy to do that. His argument was that, "If I run it, I'm going to spend half my day running an AID mission, rather than running a program." That was an anti-AID thought in those days, but he felt very strongly about that. So I spent a hell of a lot of time with the Embassy on administrative matters. I spent a tremendous amount of time on the

program side. I guess what I really came to sense there, Haven, was that I think this whole word "project" is something that real anthropology work out to be done on. Projects to me were capital projects. A project was building a road. There was a certain panache that went with it because we could cost it. It had a beginning. It had an end. It had a benefit-cost ratio so that the technical assistance side, over the years, adopted this word "project," which became encapsulated. It became the management unit of the Agency. All kinds of problems with that. It didn't capture the complexity of how you build institutional capacity. It didn't give enough room for- I think in the old days, there was some abuse of this. But I think also, the University of Oklahoma coming into a Ministry of Agriculture and through the (inaudible) of the relationships, something developed. When it became a firmer contract with a beginning and an end and deliverables, it's just not possible to predict in advance whether a government's going to respond or whether an institution's going- A certain kind of something came into it.

Secondly, it became the management unit. So, each project had its own contracts, its own history. So, if you had a project, you then led a contract for it that was 18 months. When you looked at the portfolio in the Egypt mission, it was clear that we should have been running on a portfolio basis. We should have had a set of contracts for our agricultural sector, so that if we authorized a project, we could have moved immediately into implementation. But the Agency had organized its whole management structure around the project. So, not only were there certain substantive problems with that that weren't captured, I think as a management thing, it was a nightmare. We had 200 projects, 200 separate management units, 200 separate contracts, 200 separate procurement actions going on. It just fractured your ability to manage the portfolio. If you were trying to move the agriculture portfolio in a direction, it was fractured by the discontinuity of different contractors, different timing, different projects. You couldn't get them all on the same kind of wavelength. I always thought it wasn't an argument to go to sector loans particularly, but it seems to me the Agency missed something that could easily put their abstraction on portfolios as put it around projects. But it got captured by projects. I think that-

*Q: What do you mean by "around the portfolio?"*

CYLKE: Maybe you could have let like the Global bureau do it. A contractual set of relationships with some organizations that would have come into a relationship with Egypt over a 10 to 15 year period, two or three universities, two or three consulting firms. They would have been on staff, developed your program and moved from that day right into implementation. When we finished a project paper, we started almost an 18 month process to get a contractor on the ground. We had to go through the negotiation, mobilization. It was an incredibly time-consuming kind of process. You were constantly introducing new contractors into a country which they didn't know. There was no relationship among them. There wasn't a common vision of what we were trying to achieve. So, I think in both a substantive and a managerial point of view- Actually, it was a guy named Dick Siphman - and I still have the report - who wrote a really good report on how that mission was getting chewed to pieces over these projects which were just "proliferating" and the management system couldn't keep up with it. It was fracturing

whatever development agenda we had across a sectoral kind of basis. I can't go much further than that right now, but that was very much on my mind at that time, that we were just offbeat.

Secondly in Egypt, my job was almost entirely internal. I don't want to say it was running; the mission runs itself. But it was a certain set of core administrative duties and this kind of moving this portfolio forward; and, three, troubleshooting.

*Q: What was the overall rationale for the program? What were we trying to do?*

CYLKE: We were trying to obligate a billion dollars in Egypt. That came out of the accords, of the Camp David Accords. My own perception was that the Agency, having gotten into it, didn't know how to get out of it.

*Q: Do you know any reason why it was a billion dollars?*

CYLKE: The Egyptians, I think, were quite shrewd. It was to equate with the Israeli level at that time. What the Egyptians decided- They didn't have any special punch with the Congress. Their political scheme was equality, evenhandedness. "So, whatever the Israelis get, we get." They (inaudible) that the Israeli lobbyists knew their bidding. That's where the billion dollars came from. It happened that the billion dollars was also an interesting other number. It had a psychic value as well. They got a billion dollars a year in remittances. They got a billion dollars a year from the Suez Canal tolls. They had a billion dollars a year in tourism. And they got a billion dollars a year from AID. There was a certain, almost religious sense about that number of a billion dollars. That's not where it came from. That was by happenstance. But that was always the major kind of thing.

In that country, because of Don, I really learned a lot. I was a member of the country team. I went to the Ambassador's staff meeting every day. Don took me to mission director's conferences as the deputy. He argued that it was a large enough mission that it was silly not to have his deputy. I don't think Don ever had a meeting that I didn't attend or could attend if I wanted to attend. He was absolutely open. There was no hocus pocus going on.

Now, there was tremendous tension with the Embassy from two points. The Embassy thought that we weren't having the kind of desired political- Every mission director has heard that everywhere. We weren't having the necessary political impact. The people didn't notice that we were there.

*Q: The general population?*

CYLKE: That was their perception: that we weren't having an impact on the population. The people in AID were worried that we weren't having a development impact. We were building these things, but we weren't having a development impact. The Embassy was concerned that we weren't having a political impact.

I think this would be fair. I think I could say this about Don. Don's reaction was that- I used to say that, when the Ambassador would say something to Don - "Don, you're not responding" - Don would say, "If he cares enough, he'll ask me three times. The third time, you always do to what the Ambassador asks. Never the first time. The first time, he's probably playing to his audience in the Embassy. He knows what my job is." An interesting lesson. If the Ambassador asked a third time, Don always responded. The first time, Don would never respond, if he didn't want to. And the Ambassador was playing, to a certain extent, to an audience in his Embassy that had a view. They didn't like the arrogance of AID. They didn't like the fact that we had a billion dollars. They didn't like the fact that they didn't control it. But they also probably had a certain legitimacy. I recall, once Don went on home leave. The plane was no sooner in the air than I was called into the Ambassador's office and told that I had to do something with the program immediately, or there was going to be an explosion inside the Embassy, the political counsel. Don Brown's airplane wheels were in the air and they decided they couldn't deal with him. They called me and what to do? I remember, Blackton and Norris and I sat around for a day batting ideas around. What do these guys want? Do we fight them? We had a big enough program. Is there something useful we could do? The Embassy wanted a convention center, Jimmy Carter Convention Center.

*Q: They weren't really talking about people. They were talking about politics and government.*

CYLKE: Yes. They were talking about impact, popular impact, newspaper impact.

*Q: I see.*

CYLKE: We had a set of programs which were village services, trying to get irrigation into villages, clean water into villages. We came up with a program called "neighborhood urban services." It was to treat neighborhoods in Cairo like villages. We went into the neighborhoods and talked to them about what they wanted. What they wanted were pedestrian overpasses over streets. What they wanted were schools refurbished. What they wanted was a health clinic. It was very similar. The program was developed that quickly. I don't want to take any pride for it, but it is interesting how AID officers can respond, I think, to the developments on the political imperative and come up with a successful kind of project.

But the second aspect was really running the AID mission. The economic counselor wanted that desperately. It's just a cute story in the history of AID. I think Don understood the State Department. I say this because, at some point, you're going to ask, "Who are the most people (inaudible) most impacting?" I never worked for a bad Ambassador. I thought that they were every bit as effective mentors, serious development people, and serious representatives of our government as anyone. I'd mention every Ambassador I've worked for. But they still had a culture like we had a culture. So, Don said, "I'm leaving. I think the economic counselor ought to become the AID director." We were all aghast. "Don, how could you give away-" He said, "Don't worry, there's one

condition: he has to come and sit in the AID mission. No economic counselor is going to give up his office next door to the Ambassador's door to come to the AID mission," which was true. He never came and the issue went away. He called their bluff. They didn't pick up on it and it went away. It's just one of those stories in AID culture that I think is nice to report.

Don was replaced by Mike Stone and this was interesting. Peter McPherson had a sense that Egypt mission somehow wasn't walking with power. We weren't close enough to Sadat, that Don Brown was the best that AID could produce, but that he wasn't Henry Kissinger. The secret to our effectiveness was getting and AID director who would have more visibility than any Secretary of State. So, he went out and came back. This was talked about. It was talked about with me. It was talked about with Don. They said there was no disrespect, but this Agency doesn't have a person who should lead the Egypt mission. They went out and recruited one. They recruited a guy named Mike Stone, who went on to have a very distinguished public service career. He retired as Secretary of the Army. But he was an entrepreneur. He was recruited by a headhunting firm. He had founded Sterling Vineyards in California. He had sold Sterling Vineyards to Coca-Cola, had been the vice president of Coca-Cola, and came into the Agency as the director.

What I saw in that was interesting: the Agency rebelling at the notion of an outsider coming in. They were offended by the notion because the Near East bureau wanted to be in charge. Remember, we discussed it before. The notion that an outsider was coming in, who had an independent line to the administrator, who was going to break their kind of control. A director who had never set foot inside the government before, had no idea what government was about or what AID was about, thought that he had a billion dollars to play with, when, in fact, my argument to them was that it was an accounting symbol. Our level is a billion dollars, but there's a million people involved in the decision making on these projects. There is a process that happens here. Your staff, the approval committees, Washington, the Congress, the Ambassador.

But he took the job with the perception that he himself was given a billion dollars to run the program. So, it was one hell of a year as we all got used to each other. Mike's passed away, but I don't think he'd object to this observation about him. I think it's interesting. He's an entrepreneur and entrepreneurs had certain characteristics which we talked to Mike about. You never talk about yesterday. The future is always in front of you. Everything's one on one because you're making a deal. And everything's possible. It was really interesting because AID comes from a very different, more deliberate kind of culture. You almost never go to a meeting one on one. There's always someone there to either tell you what happened in the meeting because Don always wanted someone in the meeting. He was on in the meeting, trying to push a point. He wanted someone to tell him what happened in the meeting almost, to have some perspective after the meeting, or to remind him of a point that in the course of the engagement wouldn't be there.

For Mike, I think, it was a disappointing experience as well. He left AID, went to the Army and became the Secretary. He was in charge of manpower at the Army and became Secretary. A very nice man, by the way. He had no malevolence.

*Q: Was this the role that McPherson had in mind?*

CYLKE: No, because, I think, he was an entrepreneur. I don't know what McPherson had in mind. I think the best example would be George Schultz from Bechtel, a businessman-statesman, but a man who had managed major affairs. Mike had never really managed major affairs. He had created a company with enormous achievement, but that was not a management job. It was an entrepreneurial kind of job.

*Q: But how did the Ambassador perceive this since it was really the Ambassador's function, wasn't it?*

CYLKE: First of all, Wyatt (inaudible) was the Ambassador, a class act. I don't know what the promotion system is in all of these organizations is, but it seems to me it largely works. Wyatt's feeling was that he would come out of a meeting with Mike and he felt that everything's possible and (inaudible) is saying, "Were we in the same room? It's not possible. The Egyptians are not going to budge. I think our Ambassador there didn't have much of a- Well, Sadat was his client. I think Roy managed Sadat because it was such an important relationship. But in terms of access to ministers or anything like that, that mission was so busy- I'd never been in one of these mission where people were fighting over access with State Department Ambassadors and things of this nature. I've always worked in Embassies where there was absolutely a sense of mutuality about what was going on. In Afghanistan, there was a bit of a tension, being a small post, between Ted Elliott, who had an executive secretary and Chuck Grader, similar personalities.

But I always thought it was almost silly and it was never serious. We did pretty much what we wanted. There were lots of silly battles over automobiles. In India and in Egypt, I worked for people who understood the role of AID in their country, were interested in it, had no interest in running it, had certain predispositions about American foreign policy and how development and/or AID fit into that, but were nothing but supportive and would almost say to them, "Tell me what I can do for you," rather than, "Let me tell you what you're going to do for me."

*Q: Let's talk a little bit about the Egyptian dimension of what you're about. What's your perception of what you could do or couldn't do and how you related to the Egyptians, what were the development possibilities?*

CYLKE: You could do projects, particularly capital projects. They had desperate needs. We transformed the telephone system. We transformed these other systems. It was a physical problem. You built a sewer system.

*Q: Did they work?*

CYLKE: Yes, they worked. I mean, the telephone system worked. I think most people would say that. I think it worked pretty well.
*Q: The institutional dimensions of it?*

CYLKE: They weren't much. We built them. I mean, big construction companies. Bechtel was your classic company, came in and built $400 million situations.

*Q: And then running them.*

CYLKE: With some institutional training. No, we built systems. The Egyptians more or less knew how to run a water system. If we tried to introduce modern concepts of pricing and all of that kind- But that wasn't on because that's a policy issue. Pricing was not going to change. Policy was not on the agenda, period. No matter how hard we tried, no matter how hard we were lectured, in India it was more direct. The Indians would actually say to you, "If you're here to talk about policy, you might as well go home because it's not on the table for discussion." The Egyptians would engage you in endless hours of discussion but had no intention of changing the price of bread or the price of power or the price of anything. But they weren't quite as blatant. They went through the dance with us, but to no end. I think that's true today, from everything I can read of Egypt. There was no development wave sweeping through-

*Q: But you had no leverage to force it because you couldn't threaten to-*

CYLKE: I don't think, even if you threatened to take money out- I don't believe much in leverage myself anyway. I have to jump to India for a minute, but dollars are- A hundred million dollar program when it got to India was a very big AID program. It was the equivalent of the taxes they collected on cigarettes and matches. It depends on which end of the periscope you look through. There was nothing in the political relationship that would convince an Indian that they would give up an ounce of their sovereignty over this stuff, as important as the money was. I'm not saying it was unimportant, it wasn't enough ever in their consciousness to impinge on their sovereignty. I think, similarly, with the Egyptians. I don't know that I've ever served in a country where-

*Q: Without these so-called "policy changes," how could these institutions survive?*

CYLKE: Through printing money, through a society where income did not advance, a very rigid society where upper Egypt was upper Egypt and Cairo was Cairo. Cairo was a different country from the rest of the place. Fundamentalist kind of pressure. I've been in meeting after meeting where the game was played on energy pricing.

I'll tell you a nice story. Joe Wheeler came in. He was deputy administrator. We were going to go see Sadat. Joe was consumed with family planning. We had a meeting with the Ambassador. The Ambassador said, "This is how it's going to go." He described every movement and every word that eventually did come out of Sadat's mouth, in exquisite detail. Where he would sit, how it would be handled. Then we went to Don's house. Don and Joe were up until three o'clock in the morning describing this sentence they were going to deliver to Sadat that was going to change his vision of family planning if they could only get through to him. So, we go. It was down on the canal. Sadat came down the lawn, just as the Ambassador had described, and sat down and described the crossing of

the canal during one of the wars. And you're mesmerized. You're totally taken away by Sadat. There comes this moment when Joe looks at Don and says, "Now" and Don says, "Yes, now." He delivered his sentence on family planning. Sadat looked at him and said, "My God. Talk about family planning? That's all my wife ever talks about. I'd like to talk about something else." So, we went away and we came out afterwards. We said to Joe, "What do you think of that, Joe?" Joe said, "You have to him them once. You have to hit them twice. You have to hit them over and over again," which was probably true.

Egypt was a place where you're dealing with 3,000 years of history. You have to hit an awful long time. After all, they lost tourism. It went down a billion dollars with some of the disasters that went there. I don't think they were driven by the fact that we were in a political stalemate. I think that wasn't- They held the political dollars. Frankly, I don't know if we would gone home anyway. AID would love to say that we would go home because the politicos are keeping us there, but we would have gone home out of development principle. I would argue that the World Bank and AID also have a bureaucratic imperative to stay in these countries to do their business. AID I'm not at all convinced would have picked up its marbles and gone. It might have redistributed the money a little bit.

*Q: Were you having any impact on development?*

CYLKE: I can't think of a country that was ever left where we gave up on the thought that, if we hit them twice, we hit them twice, we wouldn't eventually get there. It became easy in Egypt to say that we only stayed there because of the political. But name me the place where we didn't have a political pressure that we walked away from. Come on, we're still in Tanzania.

*Q: There was that optimism that maybe if we just kept on a little longer-*

CYLKE: Absolutely. I think it's part of our nature to be optimistic. Development is optimistic because it's a forward-looking science or art. It's forward-looking, optimistic to be better. But there's also a bureaucratic imperative in it, too.

*Q: Did you have any developmental impact? What we were the sectors that seemed to be most the significant work of the mission?*

CYLKE: We sort of groped infrastructure. I have to believe that, in fact, infrastructure, just as in projects. Telecommunications does improve business. So I have to assume that that was happening. I am told by people working there now that the work that we did in irrigation, which was technology policy in a certain sense, I wouldn't call it "pricing policy," but technology policy - water releases and these kinds of issues - has been fairly effective. I haven't followed Egypt enough, but I think in terms of Egypt making a commitment to understand what it had to do to create jobs, to do something about the terms of trade between the rural sector and the urban sector- After all, you had to keep those urban masses eating and eating cheaply. I've been to dinner parties where the standard policy trick was to go out and buy as much bread on the local market as the local

bread would cost in the United States. The table would be overwhelmed with bread. Articles on feeding chickens with the bread. But you had the political dynamic that, in fact, bread was like buying boats in many other countries. In fact, the day the Egyptian government didn't provide free bread, people would wonder whether you had a government that was worth a damn, and whether it was worth supporting, or being afraid of, or having anything else to do with.

So, did we have a development impact? I'd rather leave that to somebody who really evaluated the program. We built things. The lives of some people changed in direct relationship to our dollars. (Inaudible) a leveraged, forward-looking sense did the development (tape not on for a moment)- Catch a wave of democracy, of liberal economics or anything else? I doubt it.

*Q: Were there any programs that you thought were particularly innovative?*

CYLKE: No. Innovative? No. It was impossible to be innovative. I mean, you dealt with the Ministry of Industry. I went back to Egypt several years later on a mission when I was in FBA. We were in the Ministry of Industry and a guy leaned over to me and said, "This looks like the Politburo from Bulgaria." It was a stuck status society of the Middle Eastern variety. There were certain precepts of things that happened. Bread was free. Power was free. Projects got dealt and your friends got a portion of the deal.

*Q: Were there any rural development schemes or any programs that we were dealing with?*

CYLKE: I think people would say that, basically, there were services. In direct relationship to the dollar that we invested, an irrigation canal got built or a canal got cleaned out. Did we change the system by which those things would be developed afterwards? No, I don't think so. I think the Egypt program did a remarkable lot of very good things. We financed good things. To the extent that's development, we did development.

*Q: Did people benefit from it?*

CYLKE: Oh, sure, I think there's lots of evaluation that would show you that. I think it's remarkable, we spent $13 billion in that country, with relatively scandal free. People pick up on a housing project or something, which is an example, by the way, of optimism. I looked back- It was on "60 Minutes" on that project. I was part of that. I had to sit here and explain to my son how I could have been part of that. I can remember sitting with Don Brown and we had an eager housing officer saying, "We'll give you another six months, George." There's something that can be done with that. It was a rum project. It was hard in AID, I think, to give up on a project. There were certain bureaucratic pressures not to do it, but it was also not in our nature not to give up on a project. I don't want to be down on Egypt, but we never did a program assessment. We never did an overall program assessment. We were busy doing projects.

*Q: Let's talk about PL480 a little bit and focus on the Title II program.*

CYLKE: The Title II program was largely Catholic Relief Services and it was largely directed to this program called "Basic Village Services Program," which was a program which put money into villages for self-determination. You know, there really wasn't anything that would resemble what we'd call a town or city government. The towns were administered by the executive branch of government, rather than by a local popular representation. Since three-fourths of the country was Cairo, after all, there wasn't much attention to the villages. But there were funds made available so that villages could begin to have some kind of participation. It funded rural water supplies, rural school construction, and those kinds of programs. As I said the last time, the basic village service program was successful in putting up the infrastructure. The year I was there, it certainly, I don't think, had much to do in terms of affecting participation in democracy. But it was a way to dispense funds in a way that just wasn't the- Such a large proportion of the funds was directed to large infrastructure projects: Cairo water, major power projects, major cement factories, major infrastructure. It was one way to filter down resources to a real level. The thing was launched with Title II resources and it then became the model for what I mentioned the last time, the Neighborhood Urban Services program, which was a similar program directed to the neighborhoods of Cairo. Again, I don't think there was any kind of-

*Q: Was there Food for Work?*

CYLKE: Yes, there were clearly Food for Work programs. As I was just saying to you earlier, I'm really embarrassed about the PL480 side because here I was, I was the deputy assistant administrator for food aid and I didn't spend a heck of a lot of time on PL480.

*Q: You were concentrating on other programs?*

CYLKE: Clearly. I'm sitting here reading this book on Egypt and the politics of U.S. economic aid by Marvin Weinbaum. Even looking over these pages on PL480 just doesn't bring forcefully back to me any memory. However, Haven, you asked me about the policy dialogue and the two major issues on the dialogue. That was a formal term we used in those days. It was almost part of your program. You had to explain your projects and what you were doing on the dialogue. Peter McPherson, I think, that was about number one on his agenda. The two major issues that we addressed in those years were utility pricing and particularly energy pricing, but also telecommunications pricing and the pricing of bread. They were both political imperatives. I've talked to people as recently as last week who told me they were still working out a policy dialogue related to pricing in Egypt. But we did a heck of a lot of economic studies. Our economists were engaged. There was a lot of analytic work. There was certainly open discussion. I sat in on lots of the discussions myself. We had some of the best economists from the United States, but there was virtually no political movement.

I would contrast that with what I understood to be the case of India in the 60s under Lyndon Johnson, where in return for the PL480, Lyndon Johnson himself was calling

down the PL480 shipments according to John Lewis (USAID/India mission director). John Lewis had come from the Council of Economic Advisors. In India in my time, in '83 to '87, the conversation would start out with, "If you're going to talk about policy, it's not on the table." They wouldn't even discuss it with you. We were not a major resource transfer position. In Egypt, it was always on the table, but it was a bit of a dance, I always felt, that we went through. This was probably unfair, but I think Don would agree it was part of the accepted protocol of the relationship, that we would carry on this dialogue. There were probably incremental, small things done, but any decision on that was to be taken by the president himself.

*Q: What other areas did you find satisfying to work on?*

CYLKE: I can't recall. Well, no, in energy pricing, absolutely not and in food pricing, absolutely not. There may have been some marginal things at the margin. But in terms of any fundamental breakthrough on that- On the energy pricing, I sat in on a lot of it. I can remember, the Egyptians would actually joke about it. I can recall being in a room with Don Brown and Bahza, who was the Minister or the director of the electricity corporation. Don was carrying out a vociferous and intelligent debate with the guy on energy pricing. In the middle of it, a message was brought in to the Minister. In a joking way, although Don didn't recognize it as a joke right away, he said, "I just had a message from Washington. We are holding up as a condition on some major investment. I just had a message from Washington that the President has approved whatever project it was we were holding back." Everyone laughed. In a very subtle, joking, non-formal way, it took the dialogue right off the table. But there was a hell of a lot of work that went on.

*Q: How do you interpret the Egyptian view of the price issues?*

CYLKE: I think the political legitimacy of a non-elected government was rooted in providing the basics of- If government existed for any reason whatsoever, if there was any rationale for the existence of government, it was to provide very basic commodity support to its population. That included energy and food. The political legitimacy of the regime just wasn't what I would call- I think I'm correctly interpreting my perception, which was that it was more than just a political, electoral problem. The legitimacy of the regime was actually enhanced with the provision of these kinds of services. It was not an elected regime. There was no popular support for the regime. So, its raison d'etre had to be found in something. I think it was found in- Those were the two core areas of provisional services.

*Q: Did you have other interests to address?*

CYLKE: On the AID mission on their side, we had major commissions. There was major investment. I can't recall how much, but I think the economics division of the mission, which was after all, in my time, I think, continuing today, like a small department of economics in a university, really outstanding people. And lots of people on contract. I think there was a tremendous amount of analytic work going on, engaging some Egyptian economists, both at the university level and within the ministries. I think it's fair to say

that at that time, there was zero progress in anything that would resemble a policy dialogue. I was going to say that perhaps there was some progress on the internal management of utility operations, but in fact I think there was almost no progress there.

I can remember distinctly something on that. If you'll recall, in the old days, we had two-step loans. We provided concessional financing to the government, which was then to on lend the loan to participating utility at something more approximating a commercial rate. That was to move the utility into a pricing regime. We signed two-step loans. I can remember distinctly the day that Ernie Wilson, who was our controller, had been down in the Ministry of Finance, going through the books. He came in and told Don that he had something private which he had to really discuss. He closed the door and he said, "There were no on-lending agreements." So I would have to say, on the management side, that we had management contracts in telecommunications and in water, which gave some advice on staffing and organization and management.

Part of the pressure for pricing reform would be, in fact- Remember, we talked earlier about the autonomous Mogadishu Water Authority, where the same issue came up in Somalia. For different reasons, they didn't want to put it on a cost basis because they used it as a tax base. I think the Egyptians were using it as a political base. If your utility wasn't taking resources in at a commercial rate with any obligation to repay those, those bills were all just being met by the budget of the government of Egypt. There was no separate accounting.

*Q: Was there any pressure on you from the Embassy not to push too hard?*

CYLKE: No, I never felt any. I think the Ambassador there was absolutely supportive but realistic and- You asked the last time, "Was the tour on the table that we could not provide assistance?" No, that tour wasn't on the table. We could have, I suppose, provided assistance through another sector. Whether that would have been important or not, I can't remember whether that issue was ever really discussed. We could have taken money out of the energy sector and put it somewhere else. Although it didn't happen, I would have assumed that there were also important commercial interests in our program. Westinghouse was very interested in our program. General Electric was very interested in the program. I can't say that they ever brought themselves to bear in a way that we were frightened of Westinghouse or General Electric, but they were absolutely visible in the political landscape.

I would like to come back to that question that you asked, about security assistance and was it something different and did we give something up by having security assistance that we didn't have in another country? You spent more time in countries that didn't have that same political kind of leverage. I think that at a macro level, maybe there was that kind of pressure in Egypt. But I don't know an Ambassador who, from a more bureaucratic point of view, wasn't also sensitive to the political relationship. In other words, in Egypt, you had a strategic relationship which went beyond the Ambassador. But very often, the State Department, in its bureaucratic posture, also had an interest in not rocking the boat. To me, the whole premise of the AID program over that 30 year

period - and this was my perception, which may be wrong - was that, in fact, most of the votes on the Hill came because of the strategic posture of the United States worldwide. We didn't have a strategic interest in Tanzania, but we had a strategic interest in development assistance and in AID generally. We had a special allocation for security assistance. My sense was that, at least in Egypt - not to say Turkey or some other place - the only difference between the structure of the program in Egypt and other places, in addition to its size, was the fact that its level was guaranteed. I think the quality of our mission was every bit as high-quality as every other mission I've ever served in. I think the quality of the analysis, the commitment to development purposes on the part of the AID staff, I never discerned any difference. In fact, I would have to say, because we were such a large mission and so well-staffed, it was probably the best mission I ever served in, in terms of the quality of technical staff and their commitment to development objectives. I think the security assistance aspect assured us of our level, but I don't think brought to bear as sensitivity on issues. That was partly because the Egyptians chose to ignore the issues, I suppose. So there was never a shooting match. I don't know if that's a very satisfactory or sophisticated answer.

*Q: but what about the massive subsidies? Did they have some impact on the issue of inflation?*

CYLKE: We said the last time that there were four major sources of foreign exchange flowing into that country, roughly comparable: tourist revenues, the Suez Canal, remittances, and USAID. As I recall, they were about a billion dollars each. In many countries, I think those would be considered to be the foreign exchange resources of the government. I think in Egypt, they were almost the budgetary resources. We had a very different posture than lots of other kinds of places. So, sure, in terms of- I would say that more serious than even inflation was just the- Undercut rather than underwrote any pressure that the government really had to move itself into a different program. I haven't been in Egypt in so long, but there were lots of countries like Egypt, which I think were largely internal economics, largely unconnected to the global economy. I'll mention that when we get to India. But clearly, Egypt was one of those countries. Its industrial center was largely still dominated by public sector industry from the nationalization. You didn't really have important private sector industry. Privatization was a program that AID supported fulsomely and really started after 1983. I wouldn't know when, but it was after my time there. In fact, lots of the public sector companies that we dealt with were subsequently privatized, a tire company that I did a lot of work with. They were all public sector countries when I was there, whatever that meant.

*Q: What about private sector initiatives in Egypt?*

CYLKE: AID sponsored privatization afterwards. But when we were there, they were all public sector companies. The interesting thing was, an awful lot of them were being managed by the families of people who had originally owned those companies, as a matter of fact. They're still families business in effect.

*Q: One of the points that has been made about the bureau at that time and the relationship, particularly with Egypt, with the others, was that it was a very much centralized command in the sense that AID people didn't have much independence from the Washington group.*

CYLKE: Compared to the mission?

*Q: Yes, the Bureau called the shots and, in many ways, there was a very strong central control?*

CYLKE: Okay, I might disagree with that. The culture of the bureau at that time was dominated by four people. We talked about that the last time. I don't think they really dominated the agenda of the mission or interfered in Don's daily work. Don Brown during my four years was the director of the mission. However, if you go back to an earlier conversation we had, that bureau was really dominated by people who came out of the capital projects background. So, I would say, the configuration of the portfolio probably was very heavily dominated by a Washington view about the role of capital projects in the portfolio. Non-project lending wasn't something we were allowed to talk about. Indeed, I'll even go beyond that and say I can recall that I thought that there was a control issue and that was that, if you're funding- We had a capital development office of maybe 15 people. We were funding engineering design contracts that were 475 million. Never mind the projects, which were also state of the art technologies. There were staffing limitations on the AID mission in Cairo. It reached the point where the question was at least raised: Did we have the technical capacity, in fact, to support the capital project portfolio? Did we have adequate staff to review the bids and specifications either in numbers or in talent? The specifications for a capital project for Cairo water could fill half this room with the plans, the designs, and specifications. The AID rules assumed that you reviewed those with care and they were approved through lawyers, etc. It was argued by some that they weren't getting the kind of review they should get. To meet the control aspirations of the Agency, we probably needed a significantly larger staff, I would recall - and I think that part of the value of oral histories is that different people will see it from different perspectives - was that, in fact, there was a commitment to continue capital project financing and you will not talk about your staff difficulty in doing that, but you will persist with that kind of program.

Part of the commodity import programs were where would you put the money? We didn't want to flow it back into public sector industry. We pushed a private sector CIP program against government interest. We pushed it like fury. But there was a very limited audience for that program and you ended up subsidizing the very few emerging new private sector businessmen. There weren't lots of obvious non-government budgetary kind of support programs. If you didn't have a viable dialogue program going, it wasn't necessarily a better choice. So, I don't know that that really presented itself as an option.
I'll say this though: this issue I'll raise again in India from a different point of view. If I can jump ahead for a moment and go back to that same bureau. We were funding a lot of irrigation projects in India. I wouldn't call them "capital projects" in the same sense as Egypt. They were irrigation programs. Lots of money. I think our level was $130 million

a year when I got there. My sense was that it was straight budget support. In fact, in India, there were really more public works programs than capital projects. They were building those damn dams for 30 year periods. My argument was that, if you really wanted to have an impact on irrigation, if that's what we wanted to do, then what we did was move to sector lending and try to affect the configuration of the rules and regulations through which budgetary resources flowed out to those programs. The same thing in health. Actually, we got a health program through finally. But, since that wasn't a traditional capital projects area, I think I got it through and we wanted specifications like "kids at a certain age will be vaccinated," etc., etc. Our argument was that, if you could use a $30 million loan to negotiate the configuration of the faucet, it had a big impact.

(Inaudible) in the capital projects area of irrigation was turned down flat by Washington. Same bureau, same people. (Inaudible) will stay in the capital projects business. We took that issue on straight on. The team that came out were some longtime colleagues of mine from the capital projects area, who essentially came to deliver the message that that wasn't on.

*Q: Do you have an understanding of why they thought that?*

CYLKE: The capital projects were a valuable way in which to get at issues. That was a mantra, I think.

*Q: Anything else at this point on Egypt?*

CYLKE: No, I do want to underscore again that I think that you can say you were never at war with the Embassy because we never took on an issue very hardly. I think the Ambassador went on population issues. The Ambassador went to Sadat on population issues. I went with him. I mentioned that story the last time. The economic counselor, I was in his house with the bread flowing over his table. So, I think the sense that the Egypt program was a political program in my own mind and from my perspective, guaranteed our level. It precluded (inaudible) the option of withdrawing funds, but I don't know that that would have been viable in many countries around the world. So, it gave us a disproportionate level and perhaps more resources than the situation truly warranted. In that sense, there was political influence. But in terms of our daily operation, the concern of the Embassy for the same kinds of issues that we had, I don't sense that. The only political pressures I remember in those days was a sense by the Embassy that we weren't doing enough things that really touched the lives of people and that people were grumbling about the capacity of government to respond. That led to things like neighborhood services. There was a definite political bias on that side, on the Embassy.

*Q: In the general sense, Egypt at that time was essentially dependent on the United States. What would have been the consequence if we had withdrawn our aid?*

CYLKE: No, and there's a good example, I think. I think we were important politically. But if you took my $4 billion term, during that time, one of those - and I can't recall now whether it was tourism or remittances, but one of those just vanished. I think it may have

been tourism. But one of those two things almost vanished during that period. It went from the $4 million to the $3 billion. I think, if they had gone from $3 billion to $2 billion. So were they dependent on us? We were an important source of resources. But it seems to me, Egypt was going to be Egypt whether it had $4 billion in foreign remittances or it didn't. The telecommunications wouldn't have gotten built. The water supply wouldn't have gotten built. Would that have put pressure on the Egyptian government to do something for the population? I think it's hard to guess. Would they have diverted resources from someplace else? We were not unimportant. We were 25% of foreign exchange earnings. I go on to say that. So, you could say that by definition, you're therefore aid dependent on the United States. True. But my hunch is that the Mubarak-Sadat government would have persisted. Egypt would still be there, albeit without a telecommunications system.

*Q: Apart from the political consequences, the economic consequences may not have been that devastating if we had withdrawn?*

CYLKE: It's a hard question because, if you assume that a billion dollars went into useful infrastructure projects which became part of the infrastructure of the country, on the basis of which jobs were created and wealth was created, you can't call it insignificant or unimportant. But I think Egypt has a high tolerance for changes in income levels. It has a high political tolerance for reductions in income level. It had been capped for so many years and, without a dynamic private sector, people's expectations were- It was not a rising tide of- It was a pretty controlled kind of place. So I don't want to say it was unimportant, but I don't know that the place would have collapsed without it. It wouldn't have moved as forward on the infrastructure side as it did. They wouldn't have had as many schools.

*Q: What about all the infrastructure we did build? Did we have a responsibility to help sustain those once the infrastructure was in place? Did we have to provide continuing resources?*

CYLKE: We didn't provide budget support.

*Q: How were they able to maintain the infrastructure?*

CYLKE: Sure, there was no technical maintenance- I mean, the Egyptians are a highly technical kind of engineering-oriented society, as a matter of fact. They're very engineering-oriented people. I don't think there was ever any question about their technical competence. They were capital short. We met that. And they did not have a pricing regime that required the utility to go out and do anything about its pricing or anything. In fact, its operating budgets were met by budgetary subventions and were met by the government for the very same reasons that they encouraged us to build the darn things. I mean, it wasn't just to get us to build it. They wanted power going to their people, so they put adequate resources to maintain the operations of those things.

*Q: So, the sustainability of the infrastructure that we had built was not a real problem/*

CYLKE: The sustainability of the infrastructure wasn't an issue, but obviously it meant resources were diverted from another part of the public budget. Where those places were, I think you saw - in terms of health services to the poor and things like that. So, overall sustainability is eaten away by it, but not the sustainability of the very activities that we were directed to.

*Q: Let's now move from Egypt to your next assignment, which was to?*

CYLKE: That's a nice AID story, too. Joe Wheeler, who-

*Q: What year now?*

CYLKE: This was 1983. Just in clear terms, are you interested in cultural studies about AID?

*Q: Sure.*

CYLKE: I was the deputy director of the mission. They decided to bring another director in. The bureau actually put forward my name for director, even though there was never any reasonable prospect that that was going to come. I can't remember the dynamics of that, but my name was put forward. I think, in the career sense, while that wasn't ever going to happen- It's interesting: once having been proposed for that, you were considered eligible for assignments later on that perhaps you wouldn't have been considered for if your name hadn't been put forward. Just in terms of anybody's career was a mix of some internal merit which you have, in terms of performance, but it's also luck and timing and how the whole situation. I couldn't have gone to Egypt in 1983 if the director hadn't come out in 1983. AID doesn't operate very much at interim kinds of things. I do recall, when I went to Egypt, seeing the front lines, that Priscilla Bouton had gone to India in 1979. While it wasn't a conscious part of my thinking, I can remember back saying, "Oh, isn't that nice, we're on the same schedule." I had always wanted to go to India one way or another, whether it was director in some other kind of capacity. In 1983, Tony Ford was the assistant administrator of the Egypt bureau. She thought I had done a good job there for four years. She thought I had a stressful fourth year under an outside director, where I was more or less representing bureau interests with what they considered to be an unknown. She thought that she would try to help me to do whatever I wanted to do in my next career step, which was not untypical of the way in which the system worked. I had said I wanted to go to India and she said she'd see what she could do. Joe Wheeler was dead set to get me to go to Sudan. He called me on the phone.

Sudan had a romantic part of my imagination from having been a Peace Corps volunteer and traveled there in the summer. The president of the African Development Bank had been Sudanese. I think there's a country in Africa which presents itself in I don't want to say romantic terms, but in- It's a country worthy of your attention. But in the ethos of Egypt, it's a country. It's a little town up the Nile. Being promoted to Khartoum from Cairo was the image among Egyptians was, "You're being sent out to the wilderness." I

had always wanted to go to India and, frankly, the schooling and everything else was there.

As it turned out, I went to India. But I do remember the few moments there when I thought I was going to go to the Sudan. To me, and I'll say this, I think that going to India was the most exciting thing that happened to me in my professional career, bar none, and this was before I ever got there - just because of the development history. An awful lot of development theology, not just for AID, but for the world, had been written out of the Indian experience. So, when people talked about development, an awful lot of what they were talking about came out of India.

*Q: Can you give some examples of that?*

CYLKE: The best one came out of the Africa bureau and that was working with John Mellor and his wife, whose name was Unra Tele. We'd done a lot of work in Africa and stuff. I'd worked a lot with both of them and got to know them a lot. I'd read all of John's business about agricultural-led growth strategies and all of this kind of business. John was quite a powerful personality - one of the great people.

Anyway, when I was appointed to this job, I went to the library, which I really hadn't done, I don't think, in any other country, and gotten every book that I could get my hands on on the culture, on the society. I was just captured by this thought of going to India and talked to lots of different people. Also, it was a dramatic change for me because I'd never really served in an AID mission. I had been the deputy director in Afghanistan and the deputy director in Egypt. In both cases, largely inside jobs. Your technical divisions were outside and your director was outside. You were in an operational position. So it was a very different role, going to India.

When I went to India, I consciously spent at least the first four months traveling and expanding my mind. India's quite an expansive place. The thing that strikes you was, one, how (inaudible) it is. I was just there and we had the same notice. I've been doing a lot of traveling in East Asia. When you go to the Philippines, they talk about Malaysia. When you go to Malaysia, they talk about Taiwan. When you go to Taiwan, they talk about Korea. They're all benchmarking off each other. When you go to India, they're benchmarking off the last five year plan. They don't benchmark off China. They're not benchmarking off Europe. It's internal, they're benchmarking off India.

*Q: Introverted.*

CYLKE: Very introverted kind of place. So, that is interesting because you're putting yourself into a society which has its own raison d'etre and its own kind of- Every society does, but really a big universe unto itself. So, I spent some time looking around.

Now, the program at that time- Remember, the program had been closed and, following one of the Pakistani wars, reopened. We had a PL480 level of about $100 million and we had a program level, I think, of $125 million when I got there. I think it was down to

about $75 million and down to $50 million. It became the bank for other kinds of interests in the Agency. They just kept peeling away at the Asian missions to finance other needs of the Asians. When I was there, it was $125 million. There was enormous investment in rural areas. We had a huge forestry program. We had a huge irrigation program. We had a huge agricultural research program. We had a very large health program. But it was largely what the Agency had become, I think, over a set of years, for all kinds of policy directions. It's what India wasn't, development was.

Two things during my time got my attention focused on other kinds of opportunities. One was my own perception that I thought that the development community in India, the people that everyone respected so much, were all in their 80s. There were all these old gurus wandering around with kind of Fabian notions of the organization of the world. I thought, frankly, that they had had their time. A lot of their ideas had petered out. We didn't have any distinctive view as to what you did about a country with 400 million people below the poverty line. We worked away at it. We had lots of earnest people come out and say, "Well, I want to run a pilot project in village X to see what we should do." That was always what was going on, a very presumptive kind of thing. We didn't have a major resource level. With the poverty question, it seems to me you had two options. You either had to have a blind insight or you had to have a heck of a lot of money. We had neither an insight nor a lot of money. I thought that, frankly, we were spending an awful lot of money on what was straight out budget support dressed up as irrigation and dressed up as forestry. But it was money that was just moving right through the Indian government budget. We were converting that $100 million into rupees. They were getting $100 million of foreign exchange, which was probably buying computers from Japan. We were getting local currency construction and we weren't getting any policy out of it. I traveled all over the country with our engineers, who were reviewing these projects. I can remember standing on many dusty roads with a local employee, saying, "Now, let's see, you've written down that there's a crack in this irrigation canal. When on your schedule do you ever get back to this place?" We calculated that it was sometime after his retirement, given the schedule of site visits. So, it seemed to me a rather-

*Q: These were sector grants?*

CYLKE: These were loans for the irrigation construction program in the state of Maharashtra. They would have maybe- As I said, they were really public works programs. There were maybe 20 sites. Remember, the Indians wouldn't accept any technical assistance. So, we had no technical assistance contractors. We had a couple people in the mission. They had interesting discussions with counterparts about irrigation technology. But the program wasn't structured to see those replicated, as I said earlier, in any systematic way, against the "irrigation," if you want to call it that, policy or practices and procedures of the Ministry.

*Q: But it was reviewed like a capital project?*

CYLKE: Reviewed like capital projects. That's exactly what they were. That bothered me. I want to say, in India, it was probably the most exciting time in my career also. The

mission was terrific. Very strong technical people, very strong. My perception of management I think is worth mentioning. This is the only time I was a director, so I'll mention my perception of management. At the time when we had a lot of money, a billion dollars and John Lewis was director, it seemed to me that the nature of the dialogue was really between the director's office and the Ministry of Finance. It was on policy issues. The technical divisions, in a certain sense, were technical advisors to the director for the carrying out of certain programs. But the program was really focused on that level and on what had to happen. What happened subsequently was that that resource level went away. The Indians were very, very proud about their- They didn't like policy interference. We ended up in a role of almost pretending that we were having more policy influence than we were for Washington's purposes. We weren't having much impact. But we had such a strong staff that my own management perception, which I didn't go to India with but which I came away with, was a sense that the role of the director and the program office in fact was to support the technical divisions. But the only thing we really had of currency was really smart guys in the technical divisions. In a certain sense, the dialogue changed and it was the head of our health division or the head of our forestry division who was carrying the dialogue because the currency that we had were ideas. I don't think we had a program structure to take advantage of those ideas, but it was one heck of a good staff.

I'll give a couple examples. Rogers Beasley, who you may or may not know, I think it was his only four years in AID, he was a Rockefeller fellow and a missionary in Liberia, walked 20 miles into his first assignment in Liberia. He was a graduate of the University of the South at Sewanee and had this kind of mixed true commitment to what was going on and also a superb leader. If you went to Rogers' house-

*Q: What was his position?*

CYLKE: He was the head of the health pop office. If you went to Rogers' office on any night, anybody who was anybody in the health field was at Rogers' home. I mean, he ran a salon at his house. The head of our forestry division was a guy named David Heesen. He's now in the Egypt mission. Rogers was an older guy and I will come back with a funny story. I remember, he was greatly resented by everyone in our program and PD shops. They said he didn't know the AID rules and he didn't like project papers and he didn't do that. I argued back. I said, "Look, if you look at this mission, there were more health projects put out of that mission in my four years there than any other sector." Rogers knew how to get everyone else to do that stuff, including myself. I mean, he brought more assignments to me than I care to even remember. Worthy causes dropped at my desk. He was a true development entrepreneur in that sense. (Inaudible) in his career. The Agency had at that time people coming in from universities. We had two of these guys in the mission from universities, one from Idaho and one from Montana in our forestry division. That place was one of the happiest offices. They were excited. They had ideas and they, too, had made themselves, I think unquestionably, World Bank, anybody who came to town, wouldn't go anywhere without coming into our forestry division and talking to these guys. It was social and forestry. It was how to get agroforestry going in the country. But it was structured much like the irrigation portfolio. All the programs

were based on states. They had four or five major $60 million social and forestry projects going, with three technical advisors for the country, out talking to these people. In a technical assistance one to one basis, perhaps having some impact on their counterpart. But again, my sense was we weren't structured against changing the norms under which the entire program ran. The Indians were pretty resistant to wanting us to even get into that position. But that was another good division.

Similarly, in irrigation, we had a top flight group of guys. That unit was headed up by a guy named Ed Stains. The other area was agresearch. That was really stuck in the old Indian agresearch system.

If you don't mind, there are a couple of stories here that I think are well worth telling. It was the 25th anniversary of the founding of the first agriculture university in India when I was there in 1984. For all the prickliness of the Indian government about not wanting policy and not wanting to thank anybody for anything, there were two things that happened that I thought were interesting.

The Indian government invited the deans- We had founded the agricultural university system in India, modeled on the American land grant system. Six different American universities were involved with that. They all had counterpart institutions around India. The Indian government, at their expense, not our expense, invited the sitting deans of those six universities to come to India at their expense for three weeks to celebrate the 25th anniversary of the founding of these universities. Well, that was really something.

*Q: This was at the time we were doing the CDIE review of USAID experience with of the land grant colleges in developing countries.*

CYLKE: In 1984, they all showed up in Delhi. First of all, I was just so impressed to meet these people. I had a subsequent job after leaving AID. I was with the Midwest University Consortium. I learned a lot about the power of agricultural deans, which I didn't know at this time. But they were a pretty powerful group of folks. I was really impressed with them. Most of them had not had any touch with India. These were the current sitting deans. I had one experience which was just interesting. We split up and we traveled out to the different universities. So I went out with a fellow who was the dean of the University of Illinois, who subsequently became the president of Oklahoma State University and helped bring me into this Consortium. Very hard-charging guy, who had no use for international- Didn't know what it was, didn't know about it, really thought it was a pain in the neck, but he was there. He was told he was supposed to be there. So we went out to one of the universities in Orissa, which had fallen somewhat into disrepair. His questioning was all, "Why did people come here 20 years ago? What was it about? What drove my faculty to want to be here?" He'd run his finger over the dust on a lab. I talked a lot about what I thought drove people, which was a mix, I think, of almost missionary spirit, development- There was a whole mix of patterns of things which I know more about from not direct observation but indirect observation. The next night, we went up to Pantnagar University, which was the class act of the universities which the University of Illinois had founded. I swear, 500 people were there to meet him. He did

not sleep that night because- In India, they have the expression of "coming into your darshan," standing within the grace of a great man. He was representing something that was incredibly important. He was up the entire evening with people who wanted to come in and shake his hand and talk to him about what the University of Illinois had meant to their country, to their careers, to their life. This guy just was transformed. This rarely happens, but it's one of those moments where he understood what the whole development experience had really been. It was a very, very moving kind of experience. I was quite taken with the Indians reception.

Another story along that line. I got a cable from Washington, asking me if I couldn't go and get the Indians to thank us for 25 years of PL480. Well, thinking about the last thing you would ever want to ask for, that's it. I'll give you an example. When I was there the first year, there was an election in India. It wasn't nasty, but it's interesting to tell you the impact that PL480 had on that country. There was a full-page ad in the newspapers, in both the Hindi papers, and I suppose in other languages in other cities, and in the English press. It showed a cornucopia of food like we would see at Thanksgiving time, with vegetables and things falling out. It said, "Remember the sour taste of PL480." This was a campaigning poster. "Remember the sour taste of PL480. The Congress party brought you the sweet taste of self-sufficiency." So, the PL480 program still had that kind of currency in the political milieu. In that kind of milieu, I had no more intention of asking the Indians to thank us for PL480 than going to the moon. But it being India and India being the kind of country that it was, there was a local employee who felt a stronger obligation to adhere to the Washington masters than I did, which was always the case. They were watching us Americans to make sure that we followed our policy directions. He obviously sent it over to the- One day, I'm sitting in my office and I get a letter from the Prime Minister's office, saying that the PL480 experience was one of the profound experiences in the Indian independence, that it was a tribute to the relations between the countries, and India's strength today and the memories of a billion people are rooted in it. It was the most incredible letter I've ever read. So, you just take those couple of stories.

*Q: Do you have that letter?*

CYLKE: No, but AID must have it because ____ came out and we had a big celebration, so it must have gone back into the Washington records. But AID, more than in any other country I served in, had a profound effect on that country's consciousness and the United States standing with that country at its independence and through those famine years, not just providing the PL480, but building the agricultural research system, had a profound effect which lasts until today. I think it's true for a lot of AID directors because we're the United States, so there's an element of that. But there was certainly no one, and it really hit me, the power of an AID director, there was no one I couldn't see in India. And there was no institution we hadn't touched, whether it was a development bank, the Fertilizer Corporation, the agriculture universities, the major hotels in Delhi were all built with Cooley loans. Remember, the Cooley loans were- Years ago, the PL480 loans were more used to the PL480 being local currency generations from the sale of the commodity. In the old days, the loans were actually repaid in local currencies, rather than dollars. That had been invested in private activities in India. Bob Blakely was a young project officer

in India in those days. He ran the Cooley loan program and Bob's name was like some kind of saint in the private sector. The Taj Hotel was always known as "Bob's Hotel." So, I think as people think about this era, we had a profound effect, not only in what we did - building an agricultural research extension system, the green revolution, that whole phenomenon - but it also seared not only the conscience of individuals that participated, but I think we are part of the political cultural history of that era in India and closer identified in their minds. That's something for the United States to be proud of. I was going to say something else about that, but it just slipped out of my mind.

*Q: Despite the fact that Lyndon Johnson cut off PL480 assistance?*

CYLKE: There is a tape of interviews that I did with John Lewis. There is a tape of a two hour interview with John Lewis as director, which was a fabulous conversation, which Peter Thormann and I did as an interview- John Peter set up an interview series for us, with people who had been prominently involved with AID development. The other one was John Cole Cool, which is another fabulous tape about how the AID mission worked in those days. John told me that the actual shipments were authorized by the President of the United States. This was big time stuff in those days. When you asked for the comparison with Egypt, I think that, in fact, it was life and death. So, we had enormous leverage at that time. Much of the political reaction to outsiders hadn't gone up to the same height and pitch that it did in later years as well. But the resources were enormous. I mean, we're talking about significant resources. So, I thought that was important.

Anyway, to go back to the program men, if you didn't have the resources to put on the table- I didn't think we had any particular insight on poverty. We had some interesting insights on irrigation this and irrigation that. But my sense was that, and maybe this was just puffing myself up, India's not just another country. India's a billion people. India's a development phenomenon in a certain sense. They certainly have relevance beyond their own borders. I think part of the problem between the United States and India was that we were the leader of the capitalist world and they were the leader of the developing world. Therefore, we ended up taking postures with each other that weren't rooted in our bilateral relationship but really affected our multilateral relationship. I heard from many people in the State Department that some of the antipathy toward India that's famous within the State Department and famous within the Foreign Ministry of India, the Indian policy coterie in the Foreign Policy Ministry was largely communist or at least anti-U.S.

"Communist" is the wrong word, but pro-Russian. Most of the people I knew, I really didn't like India (inaudible) came out of the (inaudible), came out of the United Nations forums, where there was tremendous tension on each side representing these different interests. Most people who hadn't served in India came away with a very different flavor for India.

*Q: The leadership was non-aligned?*

CYLKE: Yes, movement and all of the kind of business led to lack of understanding. At that time, Peter McPherson told me that he wanted me to be interested in science and

technology. That was echoed to me by the Ambassador when I climbed off the airplane. He wanted me to be interested in science and technology. Now, I don't know that I ever fully understood either of their interests. I'm going to tell you how my interest evolved and why I think it's important when I come to it. The Ambassador's interest, I think, came from the sense that India has a significant science and technology community. In India, that science and technology community is equated with independence. In other words, coming to be an independent country, that India really prided itself on, was one, coming to independence, keeping a secular state, and three, being a scientific state. It's an important part of the finding consciousness of the nation, like we have in our society a sense of the role of the individual. And they were very important politically. And, of course, India has a bomb. So, you put all those things together and we had enormous interest in the Indian science and technology community. Most of the PL480 local currency resources which were left in India were devoted to science and technology projects between the United States and India. They weren't managed by AID, by the way. We had a science and technology office with three American officers in it when I was there. So, I said to the mission, "We're going to do this." The mission said, "Yes, but we're looking to you to defend these interests on science and technology. We want you to defend us and make a case for why we should stay in irrigation and forestry. That's your job as the AID director. You represent us. We expect you to go off and fly your sword with Peter McPherson and the Ambassador. Priscilla stood up to them after all and we're looking to you to do that." So, that's an interesting challenge for a mission director, I think. It tests your leadership skills.

*Q: You were being asked to get out of those sectors?*

CYLKE: I was being told to put more and more attention toward science and technology. McPherson made it absolutely clear that that's where he wanted us to move. Now, on the Ambassador's side, I think there was this political ambition. You may know better than I. I can't recall now what was driving Peter. But that was his image of what he wanted to have happen in India. When I first got there, in the first year, the pressure wasn't that strong and I had always gone wanting to do this poverty business. I must have spent two months of my first year there in Bihar, which is medieval. I was going to make Bihar my equivalent of the Helmand Valley kind of conversation we had (inaudible) Afghanistan. The poorest of the poor kind of thing. But then I began to wonder, "What are we doing? What are we achieving?"

So, the science thing came to me in a funny kind of way. We had a large agricultural research portfolio. As far as you could see, the research was pretty crummy. It was a remnant of the old ag university program. What stuck me was, I got interested in biotechnology. The reason I got interested was not so much the fact that biotechnology, I thought, was a whiz-bang thing, but for three reasons.

The people wondering about our technology were interdisciplinary in their approach. They were willing to talk to other disciplines, which the ag folks weren't willing to do. Two, they were global in their perspective. They all understood that biotechnology was a global science and it really got me tuned into the fact that there were global systems and

how they really worked. It was important for India to become part of the global network, not just an autarkic thing. It wasn't enough to just build their capacity internally. Three, the biotech people (inaudible) clearly with on the user of the technology, on the private sector. We were going to use this stuff. But clearly, the Indian research community wasn't focused on it. It was a straight science exercise. So, I began to wonder, I think myself, for my own thinking, about the role that a technology orientation might play in trying to promote simply the idea of modernization in India. I think I really kind of decided that, if we had an agenda in India, it was really connecting them somehow to (inaudible) called "waves" or development waves or to technology systems or to something external to India that could begin- We weren't going to be able to finance change in India. This wasn't Egypt. We weren't going to make the policy change. My sense was, if you could somehow move India into- I began to become interested in global systems. At that time in the United States, there was a lot of work going on at the state level with science and technology, of cooperation between business, universities, NSF research institutions. It was a tremendous effort state by state to build this kind of technology capability where (inaudible) kind of phenomenon in Boston or the Silicon Valley kind of phenomenon. It was a very big movement in the United States, very richly financed. We ran seminars in a number of different states. India had a science citadel.

*Q: The rationale for this may relate back to your earlier observation about the fact that the older generation, the university people who had had a link with the U.S. were now bowing out...*

CYLKE: And losing that kind of connection. There was not a dynamic connection. It was becoming apathetic.

*Q: The scientific research work was becoming significant I remember hearing about India-*

CYLKE: They were leaders.

*Q: They were getting 20 years behind and the government was to try to bring them into the modern development?*

CYLKE: Absolutely. If you don't mind, I'm going to take a step ahead to post-AID, to something that really typifies what I'm trying to say. After I left AID and I was working for the Association of Big Eight Universities, I was invited out by the Thai mission, which was working as a partnership idea, to help create a petroleum college in Thailand. I took this vice chancellor of the university all over the U.S. because they wanted to do a project of some kind with him. I found that the Thais put up a 10 story building and put $10 million worth of equipment into it. They wanted a U.S. partner for this university. They said they were not going to pay fees, they were not going to pay overheads. They would pay the faculty salary. They wanted half their faculty to be Americans and they wanted the seal of the American university on their diploma. That's what they wanted. So, this was tough. To even get an American university to talk to us was tough.

As it turns out, we got the University of Oklahoma. I want to talk about this for a second. I was down at the University of Oklahoma one day. We were going around and around and the president of the university said to me, "What these guys want me to do is invest in Thailand." I said, "I had never articulated it that way, but, yes, I guess that's what they want." Our whole conversation before that over three or four months had been about contracts and grants. The American university mentality was really organized around contracting. "There weren't any contracts and grants so why am I talking to you?" Two weeks later, he called me and said, "Come on back down. We're in." I said, "Well, why are you in?" He said, "Well, there ain't much of a petroleum industry here. There's going to be a big petroleum industry in Thailand. To the extent we have an obligation to train engineers. They are increasingly there. Our companies are there. Phillips is there. If we're going to stay alive, we'd better be there." Well, the interesting part of this conversation was, I had a meeting with Ronald Roskens, who was the big AID president from Nebraska, with the president of Kansas State, and (Thai word) University. We went in and Roskens said what you would have expected. And Ralph Smuckler was there, who had been very involved with this kind of work and was a good friend of mine. I got to know Ralph in India. Actually, I had him come out and do some evaluation. He had done a lot of work even subsequently with the ADP. They said almost what you would expect them to say. They said, "Mr. Chancellor, our job is to build your capacity, not to stay there. It's to build your institutional capacity and to go away," which was in fact a very legitimate AID objective over the years. It was something I think you and I fought for. The chancellor looked down and he said, "Well, that's a great strategy to keep us permanently second class." We all leaned back in our chair and said, "What?" He said, "If I'm going to be a first-rate university and I'm not connected to the important industrial centers of the world, if I'm not part of Houston, if that isn't part of my daily work and daily thing, you're really telling me that I should stay a second class university. I'm interested in being a first-class university." Well, very interesting. So here's a university in Thailand which is saying, "To be first rate, we have to be a global university. We want American universities as part of our faculty, 50/50 are the faculty. We'll pay their salaries, but we think it's to their advantage, so we don't want them on a contract. We don't want to pay them to be here. We want a joint venture university." On their diplomas at this college today, you have "Case Western, University of Michigan and Oklahoma." They're the three partners. There is a big academic issue as to how they're teaching. They're teaching a course at a time, six weeks a course. So, a faculty member doesn't give up a year or two to go out. He goes out for six weeks, teaches his course, and goes home and then directs research from (inaudible). But they thought what would happen was, the teacher would come once or twice, be interested in Thailand, and go away. The problem is that teachers who have taken the thing now won't give up their slots to other faculty members to participate. They say they are getting more publications out of their students there than are in the States, as a matter of fact. It's a recruiting source for home.

Right next to it, there's another business school, which is Northwestern Business School. So, when you stand on the front steps of the Regent Hotel in Thailand and look across the golf course, there's two towers that appear. One is Northwestern University and the other is the University of Oklahoma, Case Western and joint venture. Permanently established on an entirely different premise, created by the globalization of the world economy. We

couldn't have done it 20 years ago. But it seems to me, those are development and political investments of an inestimable value.

That kind of issue is what got me interested also in development cooperation. I want to come back to India. Themes I got interested in were technology. I think a lot of us in the development community failed to recognize or don't want to recognize or haven't hit our consciousness right, that in most of the developing countries today, the largest productive sector is the industrial sector, even in many African countries. It's amazing to me. And for a long time - the Asian countries for 20 years have been industrial-led economies. And yet for one reason or another, I don't think the development communities put a sufficient investment into understanding that process, partly because it's private sector, party ideological. There were all kinds of reasons. But we haven't made the same investment in understanding that development phenomenon that we made in the rural sector and in the agricultural sector. We're just not as sophisticated about it. We don't get it. We feel awkward about it. So, I was interested in- And technology is key to that. So, I began to integrate this interest in technology in a larger development paradigm of industrial-led economies. What do we know about it and what makes it tick?

Second, globalization. There are world technology systems that operate outside. I started this in India, but I'm seeing it clearer now. An awful lot of what's happening in the world economy is not being run by nation-states, not even being run by international organizations, but being run by industry protocol, university relationships, etc., etc.

Third, my own sense in India that, increasingly, development assistance was not the appropriate tool. We didn't have the resources to do it. But we weren't taking sufficient account ourselves of the institutions that we ourselves had built in these countries. We'd made a tremendous investment, but we never woke up to say that, having educated all these people and having built all these institutions, India in fact was a different place than it was the day before yesterday. Those institutions could be put into play with other institutions, particularly in the globalizing kind of environment, which led me to this whole notion of development cooperation rather than development assistance.

The argument that graduation is a misguided kind of notion, that development is as important in the United States and Taiwan today as it was before. They don't need development assistance. Part of their development problem is that they are wasting too much money. There is overinvestment, which is creating environmental problems. But the perspective that we in the development discipline can bring to bear on the problem, which is not necessarily sectoral-specific, it's multi-sectoral, was a broader appreciation of how these different things play into democracy, into pricing policy, into income distribution, into these issues, which lots of technical ministries don't take into account. You have the ability to really begin to think about a context within which development goes forward. Development cooperation doesn't mean just stepping back, but it means you can still engage in a conscious and purposeful development promotion effort, but you don't have to have as much money. You can do it by trying to make connections, insights, exchanges, workshops or whatever it might be. I think India really set that stage for what is now my work, which was the concern for industrial-led growth and the role of

technology, the power of globalization and global systems and the fact that the economic paradigm really extends outside the borders of any country. You have to think much more consciously about that.

Thirdly, a different way of doing business was required in India. They were still a development assistance candidate. We didn't have the resources to play that role. But they had the maturity of institutions that you really couldn't treat in an assistance relationship. Anyway, there is something about an assistance relationship which isn't right for a mature country, in a certain sense.

Having said that, and I will shut up, that leaves out, to a certain extent, 600 million people in India. That seers at me constantly, but I think I rationalized it myself as an AID director in recognizing that we were not the most important thing in India. So, what we thought about it- What India really needed at a certain point was some leadership, some new ideas, some kind of way of getting new ideas into the system. The kinds of programs in which we engaged ourselves, like with biotechnology, offered the promise of a wave of fresh air, a different way of thinking about problems, into that system. I couldn't see that we had much to offer on the poverty side, except standing witness to it, which can often be important in and of itself. But the Indian system, in a certain sense, it's such an important part of the polity of the country, having an American stand witness to the poverty situation I didn't think was adding- That's a pretty shorthand philosophy,

*Q: Let's go back to what we specifically tried to do in the science and technology area.*

CYLKE: I don't think I did as much as I'm doing now. I was just coming to learn it. My basic interest we started out with was - and we got a lot of political play on this - to promote a program for private sector R&D. The thought there was, "How could you make technology relevant to development?" So, you wanted to move away from the science community and closer to what I'd call the technology community, the R&D community, and commercial R&D. My thought there again was, one, international. How do you connect this extraordinary capability to international current so that they could get the new technology ideas flowing into the country to the private sector? Not just for private sector because private sector is the marketplace so that your technology agenda gets shaped in response to what the society really needs. We called this first program, which financed collaborative R&D, "PACT," the Program for the Acceleration of Commercial Technologies. I remember being quite proud that, in the times of India that they authorized the project, the (inaudible) was "PACT is a fact." I don't think AID had had a lead editorial in the Times of India in 15 years. What it captured was that Indian leadership was just focused on this issue: how do we become a modern country? As the program shrunk down toward $50 million, $50 million worth of irrigation investment was a drop in the bucket. I think the Indians perceived that - and they had no problem in allocating resources to this question - that, if they could get themselves connected to the $25 billion a year U.S. R&D machine, that that was value. So, spending $3 or 4 million on a commercial R&D program that brought them closer into that network which gave them access to that, their goal was- They knew they weren't going to get another $100 million in budgetary resources out of me. I think they saw the leverage inherent to getting

themselves to become part of the global technology machine. So, as far as the Indian government went, this was a very popular program. I think they thought they were getting high leverage out of it.

*Q: Can you explain the program a little more?*

CYLKE: Then we went on from that. That program financed- I have to say, the individual activities that were financed were almost trivial. There was an alternator. There was an AIDS testing kit, which got commercialized and out into the marketplace. These were joint ventures.

The individual projects were kind of interesting, but the real thing was trying to get the Indian science community to become cognizant that it had to become much more closely related to the marketplace. So, my policy goal, if you will, was internationalizing it and getting them closer to demand sources. But, of course, in doing that, you had to fund something. So, there were a whole raft of R&D kinds of activities.

We were catching a wave in India. I'll tell you a story about that. The chairman of ICICI, which is the second largest development bank in India, who was Minister , who is now in charge of all the export strategy for India - quite a gentleman - became seized with this idea. I'll tell two stories on this because little stories are nice.

Seized with this idea. Jim Norris, who was one of the paragons of AID, and I have enormous regard for Jim, just thought this was bunk. So, I came out to India and I took him on a tour. At the end of it, he said, "You know, really, this couldn't- This is interesting, what you're doing, but it doesn't work anyplace else." That may even be true because there are very few places with that rich of an S&T community. We went in to see Rogue in his office. The president of this bank looked Jim in the eye and said, "There were three great moments in history. Christ, Buddha, and the opening of the technology era." I remember, Jim just said, "Get me out of here." I want to say just for the record, Haven, though this record may become obscure in a library somewhere, that Tom Nicastro, who was the head of our technology office in India, who is now the office director for a lot of different things in the Soviet Union, was the AID director in Chile, where he ran the technology program, was interested in globalization and development cooperation, was the office director for this area and was one of the brightest, best managers, best people motivators that I've ever worked with.

The other thing was that the Ministry of Finance- This was tricky business, too. Because in all of our other programs, we had a counterpart. We had the Ministry of Industry or we had something else. Here, we really didn't have a counterpart. The money was in the bank and Tom Nicastro traveled India-wide. We picked a city. We put a lot of money into Bangalore, which is now India's science city. I don't want to say we sparked it, but there are people in Bangalore who will say we sparked it. We got R&D funds put down there. We got state Ministry of Industry and Science and Technology to work together on collaborative programs. Tom Nicastro visited 10 cities in India before he picked

Bangalore. This was before anyone was talking Bangalore. We created R&D funds, industrial extension programs to get technologies out to small enterprise, etc.

But let me tell one other story of Rogers Beasley, who brought problems to my desk. He was a missionary and he met a guy in India who was making vaccines for horses. He was a big horse racer. If you met him, he'd be the last person on earth you'd think an AID director would encounter. He (inaudible) horses in his backyard and everything. He made the vaccines because there was no quality vaccine for his horses. Rogers convinced this guy that his destiny was to make human vaccine. There were no private vaccine facilities in India. Rogers told me that anyone who got injected by an Indian-made vaccine at that time was taking their life in their hands, out of the public vaccine system. So Rogers delivered this guy to me and told me I should solve his problem and turn him into a private vaccine manufacturer and then vanished and went on to another project. So, this was a project that I had to develop for this guy, who developed more projects in India but we all did his work for him. Fantastic experience because he came to me and one of the questions was, he couldn't get certified. So, how do you get certified? So I told him, "One thing you do is you start wearing a tweed jacket rather than a white suit. Get that stuff (inaudible) out of your office and get some books in there and look like you're a laboratory rather than a racehorse entrepreneur." Damned if he didn't put books in his office and damned if he didn't get certified! Incredible. There are now three or four private vaccine things, but he carved the way. He was making polio vaccine, smallpox, the regular range of vaccines. That's another thing that we did. I thought it was the break of that statist, government-sponsored, inward-looking kind of thing.

*Q: Was the U.S. involved in that?*

CYLKE: We funded- We gave him $500,000.

*Q: Was it connected with the U.S. vaccine?*

CYLKE: Well, this was a tricky bit of business, now that you remind me. I forget the name of the drug company who had the polio formula, but they wanted $3 million for it. I think he got it, in typical Indian fashion, through the back door, through a Romanian. I don't think he was prepared to pay. India's going to have to come into that market. Part of their problem in being commercial, of course, is people are afraid to do business with India because they're afraid of trademark piracy, etc., which is- If you are going to enter into a global economy, there are all kinds of global rules which are going to come to bear as well. But, in that case, no. We found that we couldn't fund it because there was no rationale for the pricing. My lawyers and people couldn't verify a price that was fair. The drug company was going to get what it could get. We couldn't establish what a reasonable price was.

*Q: You weren't involved in any technical aspects?*

CYLKE: We tried. Our guidance was largely internal financing, working with the Minister of Economy, getting money for him, getting him his approvals. I, with Rogers,

did all the interaction with the Department of Biotechnology, which had to give him his certifications. It was what I'd call good, old-fashioned AID networking. It wasn't finance. It was AID auspices which were so important in that kind of activity.

We had some technological. As I say, we had some people out from CDC and other kinds of people. He was making animal vaccines. He got his technical advice here and there. What he really needed was guidance and encouragement on moving down the road. I'd say we gave him more financial advice and AID connections and plead his case in front of the powers to be in India more than anything else. We did a lot of vaccine programs. We did a lot of health research work, mostly vaccine. A vaccination program with the Embassy.

That then gets you into the whole issue of, if you're cooperating with the Embassy, you're probably doing something wrong. I think most people in AID feel that, if you collaborated with the Department of Commerce or you collaborated with somebody, there was something wrong. On my side, there was perhaps financing some things with the Embassy, with the science department, that maybe I was doing because there was pressure. Not just (inaudible) which I rationalized. I think that AID, and I see it today, there's a reluctance in the Asia bureau today to deal with APEC. When you ask, "Why," they say, "Because they'll pick our pocket." It seems to me we're in business to spend development resources. APEC opens doors. The Asian-Pacific Economic Cooperation Forum. I'm working on environmental issues. They have a clean production initiative. I was at a meeting the other day. We've given them our agenda, but AID doesn't want to identify too closely with it because AID, I think, historically does not like ideas brought to it; it likes to fund its own ideas. I think we're very (inaudible). I think the institution still is, to its detriment.

*Q: Was there a health program with which we were in any way connected?*

CYLKE: Absolutely. We had a health program that was like our irrigation program. It was financing individual health clinics around the country. Again, it was straight budget support for health clinics. I've seen to many health clinics being built next to other health clinics. Frankly, there weren't irrigation or forestry or health projects; there were rural works projects. There were anti-poverty programs. We were providing budget support. A guy by the name of- A former AID officer who worked for the Berger Company, who worked on the Southern Africa report with me. He was the head of the Mekong Delta Commission at one point. His name will come back to me. I've worked with him on several sector loans over the years. I met him in that context. We turned our health program into a sector program. A health sector program where the objective was organized around, as I say, vaccine criteria: how much money they put into vaccine immunization, lowering the age limits of the children that they'd get the vaccines to. We turned our program into a sector program, which I thought was easier than pricing issues. But there were performance criteria that the states would move to- Only when they met the criteria, our money would then flow into the budget support for the program, but only at that point. I think it was one of the first health sector programs and, yes, it was absolutely related in that way.

*Q: Was it effective?*

CYLKE: I think so. I think it's been evaluated and considered quite effective. The problem with AID, of course, is you never know because we're all starting programs and evaluating somebody else's dream.

*Q: But was it implemented enough during your time?*

CYLKE: The impact was that we got the age at which the vaccination program in the country targeted at the right ages and the right vaccines. I think we did that. However, having said that, I'd have to be honest, we also had a population program. That's worth mentioning. We got nowhere in four years. I wore out my pants sitting outside secretary's offices, trying to talk about population issues, to zero avail in India. If you wanted to buy contraceptives, budget support again, you could. But if there was a policy issue that was not on the table, it was population, period. We did some programs, but Mike Jordan, who is now retired, was an eminent AID population officer and in that era was considered one of the top two or three population officers. I think Mike just broke his back. Mike left India without much taking place. But we provided budget support to some family planning programs. But Mike was trying to get the private sector distribution of contraceptives. He had lots of innovative kinds but they were not on the table.

*Q: This was a cultural resistance?*

CYLKE: Political, government. Not cultural. This was political. They really didn't want the United States Government fooling around in this area.

*Q: The government was active in this area of family planning?*

CYLKE: Of India. That's probably the only- The family planning program was the government's (inaudible).

*Q: But the government was supporting that?*

CYLKE: Yes, they supported the program and they'd take budget support. They just didn't want you talking about or being seen near- They considered it politically volatile enough that they didn't want any foreigners near that program. It comes out of the attitude about the North preaching to them about population issues and their natural resistance to it came out of the forces sterilization thing that Mrs. Gandhi's son being engaged in that issue. It was considered to be much too sensitive an issue for donor countries to be telling them what to do. It was a very popular political issue, too, within the country, foreigners telling them about their- To be honest, I had no success- I gave up. I wouldn't go with Mike to any more meetings.

*Q: But you did provide budget support?*

CYLKE: We provided budget support, but I can't say it was important. It was budget support. After I left, in this last administration- The other problem in India, its strength and its distrength was, you had this elaborate political structure, administrative structure. The merit of it was, you had the Indian Administrator of Service, which was a small, elite service like our Foreign Service, where everyone turned over their jobs every three or four years. Everyone knew each other. Things could happen. You'd pick up the telephone. Everybody knew everyone. But you met some of the most stubborn officers that you've ever met in your entire life. So, Walter, I think, ran into this. The Agency's gone into this big program kind of notion for population, so they went to UP, which would be the seventh largest country in the world, Upper Pradesh, if it were. They had a break. They had an administrative officer to let them in. Got transferred. I know they're not expending any money. It just shut down again. So, part of it is the luck of the draw and who your officer is. There's a lot of autonomy in that Indian system. But, frankly, family planning is one very, very, very tough issue. Of course, you have 10 states that are larger than any country in Europe. So, they are different. Upper Pradesh is not a simple place and it's a much more backward place than lots of other states. India has this interesting situation where the southern states are probably more progressive than the northern states. But the politics are in the north.

*Q: You made a passing reference about AIDS, which was-*

CYLKE: We did an AIDS testing kit, but- Don't ask me why not, but it was not a conscious part of the program. We weren't pushed to do it. I don't know that AID was in AIDS work as such in '87.

*Q: That's interesting that you would have that. Was that picked up by anybody?*

CYLKE: It was also in Thailand.

*Q: But I mean in India.*

CYLKE: Well, you know how active this program is, as a matter of fact, my wife told me just yesterday that PAT, the organization out in Seattle to help (inaudible), they now have a permanent office in Delhi, basically organized around commercializing technologies. They're also very active in Thailand around the same thing, not just providing technical assistance, but actually commercializing commercial technologies like AIDS diagnostics and things of that nature.

*Q: But you don't know what happened to your intervention at that point?*

CYLKE: No. (Inaudible) my wife's firm, which was John Snow, was commissioned to do an evaluation of the AIDSCAP program a number of years ago. I was reading the findings and what struck me was the amount of control an AID director has on a global issue. I read that evaluation. You had a director in a country with a very high AIDS problem in Africa, in Uganda, that didn't want to deal with AIDS. You had an enormous AIDS program in another country in Africa, Cameroon, which had maybe the smallest

incidence of AIDS on the continent, with a very large AIDS program, essentially directed by the predilection of the AID director. You've always had this tension within the Agency. I happen to know these people. I think they had a very good reason for what they were doing. But it casts into play this tension between what you were asking me earlier, the role of the Washington bureaucracy. Well, if the Agency thinks AIDS is important, there's a certain legitimacy to me to think that the Agency ought to say to their director, "Dammit, you're going to do it." On the other hand, you can say, why should you follow the foolish (inaudible) of some kind of Washington thing when you're on the ground and see it? So, I don't know if there's any right answer to that question. You just hope you're dealing with informed people who are not dealing with either their personalities or turf and seriously trying to address the issues. I was reading and it just jumped out at me as an example of the power of the AID director to (inaudible) the program.

*Q: Let's return back to India and your own situation. How did you see your own relationships in your situation?*

CYLKE: I thought, by and large, I was blessed. The deputy assistant administrator - deputies were always the good guys in the end - was Rocky Staples. Rocky was an unusual person, who had an unusual place in his heart for India and I think had a strange tolerance for me. I think he was intrigued, when I first went there, with my interest in Bihar and the poverty thing. He was interested in the move toward technology thing. He was just enormously supportive. I think his feeling was that, if the director had passion for his country, was doing his homework and was connected, that was worth investing in. Whether it was the most important problem or not the most important problem, it was probably the highest return because you were going to get the most energy out of him on that.

My clear perception as director was - and it's a different perception than you had as deputies - that the only clear guidance from Washington was "no waves." If everything goes along and it's kind of quiet, you can pretty much do whatever you like to do, excepting the fact that you take guidance from somewhere. I want to mention that, too. I felt very independent.

*Q: At the same time, you had an administrator who was pushing service and technology?*

CYLKE: That's right. I convinced myself that that was an important place to be. So, I didn't feel pressed. Some of my staff would say it's just because I caved in. Who knows? But I did attend a mission director's conference when I was in India, which is apropos of this. One of these TRG- This consulting firm that does this management stuff for AID. It was a mission director's conference and they asked us who our boss was. It split four ways. Twenty-five percent of the officers raised their hand and said they thought their boss was the assistant administrator of their regional bureau. Twenty-five percent said they thought their boss was the Ambassador. Twenty-five percent said they thought their boss was the administrator of the Agency. And twenty-five percent said they were all factors to be taken into account. Part of that was regional. I wouldn't want to say that, but I think part of that reflected history of bureaus. The Asia directors felt very independent. I

think the big mission tradition - Nigeria probably had that tradition, too - but the big mission tradition was very, very different. Your Latin America directors were much more sensitive to the Ambassadors, I think, than other kinds of people. So there was an element of that. But I think it was interesting, there was almost an even kind of split. I felt very strongly that the AID director's job was truly a unique job. You had this unique opportunity to represent not just your agency, but in a certain sense you were representing the American university system, you were representing the American technology system. We had a magnificent platform of stuff that you could represent.

And you were a representative. You were - and I'll go back to that Frank Pinder comment - I was surprised at my own ability to step out of the mission and be an outside actor because I had never really done that before. But I remember other directors. I think I mentioned earlier, Roger Ernst in Egypt, who used to pass out the card of who you had to see every week. He used to give every officer five names of who they were to talk to during the week to report back on. He was outside. I considered my job every bit as much administering the AID program, but it was so well run that there wasn't much to administer. I mean, you didn't need a deputy. We had very competent local staff, extremely competent, too competent. They were almost more in charge and therefore very rigid in changing. But the mission was pretty responsible.

*Q: Were you an independent agent?*

CYLKE: I was an independent agent. I don't know what I would have given it before. I thought it was comfortable, but I had to be responsive to Peter. I certainly had to be responsive to my Ambassador. My assistant administrator was not insignificant. I mean, one controlled my career, one controlled my daily health. If you're not in tune with the Ambassador, you're going to be ill. So, I think it was a mix of all those things. But I think it's important because, with that kind of a mandate, you really are outside-moving. I have to say that I don't think the Agency ever asks a director what AID India was or the power or the authority or the representational value of that. I would say an awful lot of my influence was stuff that had nothing to do with projects, but I was judged, in terms of obligations, in terms of numbers, and in terms of projects, but in fact, that had very little to do with my daily life. I reviewed projects. If anybody knows me, I had my input into projects. But it's not how I was defining my influence in the country. They were part of it. But an awful important part of it was making connections, looking for the waves, looking for the opportunities, trying to move ideas out there. I think most successful AID directors were there. There was nothing in your EER really that had much to do with that and not much reward for that, I don't think, in the EER system, as a matter of fact.

*Q: But you represented the development interest?*

CYLKE: Absolutely. I definitely perceived myself every bit as much a member of the country team in that context, representing the development thing, as- I don't know how others felt about it. I felt that being part of the country team was important. I enjoyed it. It was a separate job from my job of administering the AID program. I think that was important.

The question of how do you move a mission to a different way of thinking about a problem? There are certainly directors who are more skilled at that than I because of my own kind of tendency to dominate a conversation or whatever. There are other directors that I've worked with - George Carner , I think, is the quintessential kind of leadership by consensus and engagement kind of person, which was a different kind of personality than myself. Tom Nicastro in my mission. That kind of a person. My sense was that you weren't going to push this mission around by saying, "This is the sector you're going to be in." It wasn't going to move that way.

It happened that it was my wife, but, in both Egypt and in India, we ran a development library center. It was really important to me for a number of reasons. I want to mention it. It was sponsored by CDIE, so it's a blurb for CDIE in that sense. I put a lot of stock in it. One, I asked the librarian to do three things for me. One was, I wanted to run a seminar series. I wanted somebody to bring ideas into this mission on a regular basis that weren't filtered to me through some client that we had for a project. So, every Wednesday afternoon, we had someone in the mission talking about something. I first heard of AIDS, if you want to know the truth, in the AID mission from a guy from the State of Massachusetts, who Tom Nicastro ran down somewhere, who was in India on some subject and came in and gave a two hour talk about what was really going on in the United States on this issue. We had Indians in. We had others in. Over time, when I knew where I wanted the mission to go, there were more of those conferences on topics that I was interested in than others. That's one way to let a mission know what a director is interested in.

Secondly, the collection. We built collection around the ideas. We had a first-class collection on what was going on in the United States in terms of state university business cooperation and technology. I think we had everything that was published in every state in the United States. It allowed our officers to move his agenda because he had something to work with and we used that aggressively.

Third, we had a publication series. I wanted the mission to be identified with important ideas. I was trying to put us across as a serious development institution, not just an aid institution. So we did that. I think it took the program office some time to figure out what was happening - that, in fact, the agenda of the mission was being set down in a library every Wednesday afternoon by who was coming through the door, not by their sending memos out and around the office. But I think it had a tremendous impact on the mission. It became a place where lots of people in the mission interacted with each other. That library is still going in the India mission. It's smaller. It still plays that role in that mission.

In Egypt, in fact, it played the role where it was like the development community club. You would always find people from the Ford Foundation or the World Bank when they came out because it was a place to go. There were had tables. We had the books, we had the materials. But it was also where they could run into people and talk. It was a place where you always knew you could meet somebody who was going to be talking about it.

In Egypt, it was less Egyptianized at bringing Egyptians into the mission than in India, where we really made it into that. It was that notion, that if you're going to be a development partner and not just an assistance, and your influence is going to come through your ideas, then you had to not only have a place where ideas could get collected, but you had to present yourself as that kind of institution. We built quite a nice physical facility. It gives a signal that that's what you are, as opposed to something else. Actually, Mary Thormann, and Peter Thormann, who was in the Africa bureau did a nice job for us. We wanted to put out a brochure on the mission and our programs and she suggested that we put it out in the format of a college catalogue. I thought that was very effective. There were other mission directors, like in Egypt, who wanted to put it out in the form of a business annual report. That's the image they wanted to get across. We put ours out with our projects described as if they were courses in a college catalogue. It reeked of that kind of an atmosphere. I think that's the only legitimacy that the AID mission in India has, is the quality of its ideas. That's our currency today.

*Q: How did you find working with the Indian people, the bureaucracy and so on?*

CYLKE: My son told me - and he was only 10 or 11 in those days - but I can remember the first few days, when I would come home every night - and it went on for four years - Chris would say, "Oh, here he comes. It's the best day of his life again." Partly the job. I think the AID director's job is one of the best public service jobs that the United States Government has to offer. That's not saying that I wouldn't have enjoyed being an Ambassador either. But I think that, in foreign affairs work, I can't think of another job- Don Gardner told me once that what he liked about it (he was my first boss in AID) was that it was a nice mix of academic, because you were at the state of the art of all kinds of important ideas about economics, about politics, about science, management. You had interesting management tasks and assignments. You had larger operations to run, budgets to operate. But the interesting thing that distinguished it from university, which had both of those aspects to a certain extent, was that you could actually put your money behind some ideas and actually test things out and get them done. For a person of an academic mindset but not a research scholar, it was the best- It's an applied job. And then the AID director's position gives you a unique platform, partly because of our history in these countries and partly because you do represent the United States Government.

*Q: The Agency gave you the latitude for innovation?*

CYLKE: Yes, but I had never traveled in any country- In fact, I travel a tremendous amount now with this United States-Asian Environmental Partnership, in Taiwan, Korea, the Philippines. I think it's also our attitude. I still marvel at the willingness of people to allow a stranger to walk into their office and engage them in an hour and a half conversation about something that may not even be terribly practical, about "What do you think is really happening in this country in terms of environmental protect" and the time that they'll give you. I think that AID officers are largely very skilled at- You don't pull that off easily. You have to have something interesting to say to engage someone. I think, as development people and the ability to share ideas and move them around, I still enjoy this job with no money to hand out. My wife has been known to say, "Owen, you

treated AID like it was your own New Yorker magazine. You're living the experience rather than reading it." That's certainly one of the joys I think we all got out of it. But you're also moving ideas around and putting people together. That's what I think the aid business it.

Our formal counterpart was the Ministry of Finance. They were Jesuits in a certain sense. Their job was to capture donor money for the budget. There was no doubt about what they considered their job to be. They'd put up with almost any conversation you wanted to have, but they had their eye on the ball. They wanted money captured for the AID budget and they were skilled at it. I had a problem with them which is instructive, in that, when I got there- A lot of our federal government agencies under fund their international programs and they come to AID to fund them. We were trying to fund a lot of United States Government participation in different science activities in India with the AID budget. The Indians said there was just no way they were going to play that. McPherson was behind this. He was supportive. AID was supportive of this. The Indians said, "No dice. These were supposed to be 50/50 mutual things. This isn't our AID program. This is our science collaboration. We're putting up our 50 percent. You guys go to Paris and pledge $100 million to India. Then you come back and want to fund your share of a mutual program out of what you pledged. You're double counting and playing games." Lots of governments aren't sophisticated enough to make that argument. I have to tell you, Washington just told me never to repeat that argument again when I told them. They didn't want to hear it from the Indians. We do want to play both sides.

So the Indians played tough with me in the Ministry of Finance in terms of their accounting things. My work with the private sector they would let me do as long as I could find an accountable entity in the Indian government budget. That's where I would do an awful lot of work with this one development bank. They were in the Indian government budget. As long as it was in the budget, the Indians had no problem. You could do anything you wanted to. So then I could go out and work with the private sector and what I had was essentially a development- On the technology stuff, we had a small loan fund that was run down there. That was fine. If I had tried to actually take it out to the private sector, I would have been in a lot of trouble.

What we did in India was, also, they didn't make any distinction between grants and loans. It made no difference to them whether it was a grant or a loan. At the end of the year, very often there was some extra money around. We used to trade with PPC for loan money, for grant money. We'd stick grant-loan money into the Indian budget. Then we had what we called the "mechanism," which was directly obligated grant funds outside that never showed in the ODA.

*Q: Explain that.*

CYLKE: If I had an ODA of $25 million, the Indians knew it. If, at the end of the fiscal year, I could find some mission that couldn't obligate $5 million in loan funds - and, generally, there were no grant funds around at the end of the fiscal year, but there were all these loan funds floating around. If I could get my hands on the $5 million grant, I would

always take it, add it up to my ODA and then the $5 million that I would have already- I had my $25 million, my grant money then I directly obligated to American institutions in the United States. Never showed it in the ODA and the Indians never knew I really had it. That's where we had all of our flexibility. The controller, whose name was Hickman or something like that, he told me that Rumpelstiltskin could turn straw to gold. I remember, he came and told me this one day. He called it the "mechanism." He said, "Look, there's missions trying to give away loan money. Just take it. The Indians don't make a distinction between the grant money. We already have our grant money. It's not obligated. Then we'll just directly obligate it outside of the ODA." That's where we got our flexibility. Otherwise, the Indians watched the ODA like a hawk.

Having said that, however, there was no level that I think the United States Government could have ever achieved to have gotten the political leverage that we wanted. There was no price that you could conceivably pay for that. The Ambassador told me once, when our level was cut one year, that he'd send in a message to Washington that would say anything, except that a reductional level would hurt the political relationship, because that's just not true. In fact, he argued that it might improve the relationship because it would take away opportunities to wrangle with the Indian government over issues. I think he was right. But he was very supportive on the importance of the program, etc. But he wouldn't go so far as to say the level was sensitive to the relationship. So, the Ministry of Finance, they were pretty permissive with me, but there had to be an understanding about my understand about how the budget was used.

I happen to like Indian administrative officers because this was the most sophisticated group of government officials you're going to find probably in the world, as stubborn as they could be. A conversation with them was always just- You know, you had to be sheriff when you wanted with an Indian government official if he was the Indian administrative service. He was probably a hell of a lot smarter than you were. But incredibly frustrating experience sometimes because they like to fence. You spent a lot of time dancing around issues, where people, I thought, were just enjoying fencing with me rather than coming down on the issues. I think that, basically, our relationships with government were less satisfactory than our relationships with industry associations, banks, almost anything other than the government bureaucracy. Not because it was just sluggish. If you hit the right officer, you had a good day. But if you hit the wrong officer-

*Q: This was true in the States as well.*

CYLKE: That's a good point. That's an interesting point, too. The Indian system, of course, is different than a lot of other governments because, as we said, the states were political entities. In lots of the countries I had served in, you had decentralized government in the sense that the administrative, executive powers were passed down. In India, it was different. So you had half the states of a different political party. Each state had its own parliament, had its own government, and half of them were of a different political party than the center. The Indian administrative service was interesting because there was no central service. Everyone was in a state service. The central service was staffed by people in deputation from the states. That was done consciously in India to

break down the notion of a strong center running the country. That totally doesn't quite work that way because there's lots of people who finagle a way to make sure they stay in the center for their careers. But there was no such thing as a central service. They called it the "kodder" or some state kodder. State governments were small and, as a result, pretty easy to maneuver through. You had comparable quality at the leadership level because those guys were the same people that were at the center. But it was smaller. In fact, now that you ask me the question- I wasn't enamored of the irrigation and the forestry program, so I didn't spend as much time at that stop. But when I did go out and visit with those people, you worked your way through that much easier. But I was increasingly moving the program away from the set of government relationships into private industry association and private sector kind of relationship. So, my mind probably wasn't as much on- The Ministry of Health, I think anyone in Indian history will tell you, was impossible. The Ministry of Agriculture was behind the times. The Ministry of Irrigation was pretty good. The Ministry of Forestry was pretty good. They were straight technical ministries. They were relatively new, technically competent, I guess, with engineers and people who knew their business pretty well.

*Q: The Ministry of Health was impossible?*

CYLKE: Impossible.

*Q: In what way?*

CYLKE: The Health Ministry's everywhere. Their education system brings you to look at the cell, rather than its systems. So, I don't think that people are trained as managers. Public health is an understated issue, as we all know. It's very clinical and, as a result, I don't think people think in abstractions very easily. So, it's very hard to talk policy and programs, I think, with ministries of health. So, you could talk technically with somebody, but that didn't get anything done. So, I don't know that that was India's Ministry of Health. I think I feel that way about health generally.

*Q: Was there another dimension in the Indian experience?*

CYLKE: I think the India experience- I want to say that I worked for two Ambassadors who had a golden rule and that was that there would be no disagreement between offices on the country team, period. If there were professional differences, they wanted to hear those out, but here would be no tension. That was the only rule. If there was tension, you were going to be out of that country.

With both the Ambassadors, that was their starting rule. I've never worked in another country where the relationship within the country team was as positive as it was in India. It was explicit: there was no fooling around about it. Dean picked it up from his predecessor. I felt as comfortable with the Department of Commerce and with the science people as with anybody else. In fact, our health program was developed with the science office and we offered to turn- We made a proposal once - a screwy one, but we made it anyway - to merge the ag attach 's office with the ag section. Washington couldn't cope

with that. And there were other issues in other agencies - they don't want to give up their space, etc. You know it all. But intellectually and professionally, there was no- It was diametrically opposed, anything you try to get done in Washington interagency-wise. This is an impossible place to try to get anything done as far as I can see, interagency-wise. I have to give credit to both the Ambassadors. Both the Ambassadors shared what we were trying to do-

*Q: Who were the Ambassadors?*

CYLKE: Harry Barnes, who is now with the Carter Center and does peace stuff, and my DCM in India is the head of programs at the Carter Center, development programs. The other DCM in India was his predecessor in charge of development programs. It's an India mafia down there. Then John Gunther Dean came, who was kind of the cardinal of Ambassadors and had a reputation of being very prickly and whatever it was. Harry Barnes was a no necktie kind of character and John Gunther Dean was a tuxedo character, so they were different personalities. But both were absolutely supportive of the AID program, but in context. It wasn't the aid level that was important to them; it was the content of what we were doing. Neither one of them was very interested in the question of the level and perhaps, in bureaucratic terms, should have fought harder for the level over the years. So that was one character of the relationship. Secondly, I think, was the quality of the mission, both Americans and Indian staff.

I think there is an issue today- I think that the Agency thinks it's failing for some reason and thinks it isn't producing results and isn't having achievement, and it is. I think the Agency as a bureaucracy takes graduation and diminishing resources as a sign of failure when, in fact, the departure from Asia should be a sign for great jubilation. We ought to stand up and take credit for it. If I haven't mentioned to you, what I'm doing currently is, I'm working for the U.S.-Asian Environmental Partnership. I'm working for an Indian research organization, which I joined out of kind of a sense of psychic symmetry of working for a developing country, a development institution in the United States. But I was recently asked to look at a graduation project in Indonesia. I think I mentioned it, maybe, on another tape, where there was such pride on the thing- But I don't know that this whole results thing. Everything isn't driving AID down the medical road to looking at the smallest cell and there are some big ideas out there, which are still aborning and the one that we're working on in the AAP is, if you have an industrial-led development paradigm. Asia has done pretty well on the growth side, done pretty well on the poverty side, done pretty well on the income distribution side. But you're going to have continuing growth at 12 to 15 percent. There's going to be an environmental disaster. I think the statistic is, in 2010, 80 percent of the industrial stock of Indonesia is going to be stuff that isn't on the ground today. You probably have an opportunity to get in front of that industrial thing with a set of ideas which could really change the whole progress of industry. That's a big idea. The Agency seems to be saying, "No, we don't want to deal with that kind of a big idea. We're calling it the 'clean revolution' to relate it to the kind of transformation of the agricultural sector two generations ago. We want to know that you've actually improved the environment in some microclimate, in some geography," which it seems to me is not AID's job. That, it seems to me, is the government's job, to fix

the environment in Village X. Our job is to set the development context within which the government spends its money. I think the Agency's moved around from those major abstractions. Do you hear the word "policy dialogue" in the Agency even anymore? Not much. I don't even think it's a word of currency. I think it's an old-fashioned word. So, I think that the Agency is missing something by not focusing on some of the big development imperatives and ideas that are shaping the world, and focusing too much on - and it's almost an infrastructure result - how many health clinics did we get built?

We're talking about graduation here for a moment. I think the United States Government has a continuing development interest in whatever you want to call them, fast-growing or modernizing countries that are no longer really assistance candidates. One of the notions is, how do you keep it going so that we have an environment? To me, an endowment is a substitute for aid. In other words, how do we create a pot of funds, which we can give away like we did before, but it won't be appropriated funds anymore; there will be an endowment of funds. (Inaudible) have the same kind of people doing the same kind of work with the same kind of mentality. I think development cooperation work is a different kind of work. It really is a partnering kind of job. It's a linkage kind of job. It's an information flow job. The dramatic returns formed by the globalization of the world economy. The notion of a successor to AID simply being AID with the pot of funds coming from an endowment- When you focus on the endowment, that's what it ends up. It still will be a bureaucratic kind of system with AID rules, giving out our money. Somehow, I don't think that's-

*Q: It would be a resource for funding programs?*

CYLKE: I don't see that as a good organizing principle. It seems to me that that is more an argument for how does an agency stay alive, or how does an agency keep going? That isn't the issue. The issue really is how does the United States Government continue to project or promote development outcomes in our changing environment? That's why I, frankly, and this is heresy, I'm not as frightened by the notion of the State Department becoming engaged in AID work. It frightens me because I don't think they're ready for it. But the notion of getting mainstream development concern into our diplomatic service is not a bad idea.

It's the sense that, as the Agency - this current Agency, given its major substantive thrust - if it was looking for a region of the world where there had been success, where there was still a development situation (inaudible) the language they define it with, the promise is success. It seems to me that South Asia is such a place, where it's a coherent group of countries and people from India, Pakistan, Bangladesh, Sri Lanka and Nepal, where there is a great mass of poor people. All countries, democracies of one kind of another- They're the kind of development issues that the Agency articulates (inaudible due to static) success: women's groups, gender issues, population issues. You name the issue. There seems to be such discouragement about development. It seems to me that one of the mistakes that AID has made in a certain sense and that the development banks make is not looking at South Asia as (inaudible), just mushing it into the Near East and Asia bureaus - with South Asia with 1.5 billion people, sitting there - where what we mean by

development was born, a lot of ideas were born, massive numbers of poor people. But almost all democracies are making significant progress. It just occurred to me that South Asia was a (inaudible).

I don't know that most of the world isn't progressing. There may be parts of Africa that are progressing which I'm not familiar with. But if you look at East Asia, while there are still development issues there, some modern issues and even some older kinds of issues, there are countries which have reached an economic state where development system doesn't look like it's going to be long for this world. Eastern Europe and Russia are different phenomenon than what we traditionally thought of in the developing world. They're no longer present in South America. They have Africa and Central America, the two places where AID (inaudible). We still have sizable programs, however, in South Asia. It's just that we never conceptualized them as a whole. Yet you look at microenterprise development work that's going on in India and Bangladesh or the population problem, which is really rooted in that part of the world. But they're all fledgling democracies. Each one of those countries has development as a central core of its national identity, development promotion. I really don't have much more to say about it. It seems to me that it's a part of the world that we never thought of as a part of the world development. It has the potential of a success story that's really important for the Agency.

*Q: What about the African embassies and others like them?*

CYLKE: (Static) to be a candidate for development assistance. Each one of those countries (static). (Static) when we were talking about East Asia. Looking at the (static) of development problems, (static) development assistance is still relevant to them (static. (Static) by India, but they're bound together by a common historical (static). (Static) people with similar kinds of experiences and quite a bit of interaction (static).

*Q: You're talking about development assistance. How do you characterize the difference?*

CYLKE: Well, if you're talking about East Asia, for most of us, in AID context, we're talking about the two AID countries which were remaining, which were Indonesia and the Philippines. We're out of Thailand now. We have a program in Cambodia and we may do something in Vietnam. But, basically, AID's presence is in the Philippines and Indonesia. The Indonesia program, I think, is generally accepted by most people within the Agency. It's moving into a development phase-out strategy. Within five years, we'll no longer have a development assistance program in Indonesia. Philippines, perhaps a little bit longer for historical, political reason more than a current political reason. But we don't have a presence in East Asia as a region any longer. There may be the beginnings of some kind of a program in Indochina, but I can't believe it will ever be terribly significant because of resource restraints. They're all countries that have grown eight to twelve percent a year. There are classic graduate countries where I would argue separately that there's a continuing development interest. South Asia are all countries with the majority of their populations still living in poverty - and with a billion people sitting in India and were an important part of our global aspirations vis a vis population. It is our continuing

interest in getting a majority of the people out of poverty. There's probably as much development experimentation going on with regard to small scale enterprise, population programs- I think each country in the region, except Nepal, has had a female president. Probably the only part of the world. Pakistan has one. India's had one. Bangladesh has had one. And Sri Lanka's had one. It was never conceptualized as a coherent region.

*Q: What about the content of the program? You talked about wanting a continuing development relationship with the East Asia countries.*

CYLKE: I think the more traditional AID portfolio range of interest: population issues-

*Q: Technical assistance?*

CYLKE: Yes. I would think those kind of programs still make sense. There's still time for it in that part of the world as well. India is slightly different, but Bangladesh and those kinds of countries. It's not much, but it seems to me that they're cut off. If you talk about coherent regions in the world, and I don't know how many there are, South Asia has always gotten short shrift. Yet, if I were the administrator of the Agency, with all the things I want to do, you get that whole panoply of stuff that the Agency says it wants to do, some of which is out of sync with where we are. It doesn't have much to do with Russia or doesn't have much to do with Eastern Europe or doesn't have much to do with East Asia anymore. We're not even in South America. So they're really talking about Africa. Africa has a certain kind of downward spoke (inaudible) when people think about it. They're unhappy they're not optimistic. And yet here's a region of the world that's the same kinds of issues as Africa, where one could be quite optimistic and where one could take enormous pride for work that was done over the last 40 years and where work is still going on. They're all democracies, but with majorities of the population in poverty. It is a coherent region. It's not just six countries. They're, in fact, five countries that have to learn to live together for "their development purposes." If you look at the Ganges and its relationship to Nepal and to Bangladesh, and for security reasons as you look to the relationship between India and Pakistan and Sri Lanka. So, there are both security reasons and development reasons to think of that as a coherent region. It's a simple thought, but-

Particularly, as an agency, they're continually, I think, not thinking well enough of itself. I think there's a current depression in the Agency. An awful lot of that is rooted in the hard times that the Agency as an agency is having, as opposed to, I think, some of the more optimistic premises you can have about what's happening with development. I think that the Agency has not put together concern for its own downfall. I think (inaudible) with the Congress about success that they've had (East Asia) and successes which they could have in places like South Asia. One of the reasons is South Asia doesn't seem to arise on the Congressional (inaudible) is a place of incredible importance. It doesn't have the same trade resonance that East Asia has and it doesn't have the same security resonance which Eastern Europe and the Soviet Union had. But there are still 1.5 billion people sitting in that part of the world. There are certainly security issues vis a vis the atomic weaponry between India and Pakistan. And it's a coherent region both ethnologically and natural

resource-wise, particularly when you look at water flows between those parts of the world. (Inaudible) opposed to the Middle East, where I think one can be quite optimistic. It's a fertile ground for learning development. India, internally, I think, in the industrial sector (inaudible) 15 percent a year. It's incredible. There's still 600 million people in poverty that have to be moved, but there's a dynamic going on in all those countries now, since the collapse of the wall, have all pretty much gotten their policy house in order. They're outward-looking, export oriented. They're taking the IMF stuff kind of seriously. I think they're all on the right track. I think it's a place where development dollars would be well spent.

*Q: We may come back to some of that in a minute. Then you finished up in India?*

CYLKE: I finished in India in the summer of 1987. I was assigned to FVA to be the deputy to Julia Block, when Walter Bollinger moving to the Africa bureau as the deputy assistant administrator. That's what I did. I came back and there was not an assistant administrator. By the time I got back, I guess, Julia was appointed assistant administrator for the Asia bureau. So, I came in and was, for almost a year and a half, the acting assistant administrator for the bureau. There was also really no administrator. Allen Woods had just been appointed administrator and was sick for the better part of that time. I found that FVA was at that stage, not on anyone's radarscope at any rate. So, in a year and a half, I don't think I had a one on one conversation with the administrator of the Agency. At any rate, we were in charge of a bureau and expected to be responsible. It's interesting to finally get a senior leadership position in Washington and find out there wasn't any Washington there.

*Q: Describe what this bureau was about at that time.*

CYLKE: It was developed with a historical collection of things, which is kind of interesting. You had the Food for Peace program, which has its own culture and its own history. It was responsible for managing the Title II program and interacting with USDA on Title I and Title III. They had the programs which supported in a categorical way the private voluntary agencies. I forget now the name of the division, but it was a division responsible for our activities with PVOs and it had American schools and hospitals abroad. Those were the three offices that were knitted together to constitute that bureau. There was a deputy assistant administrator for a few days and a deputy assistant administrator for the PVO office. So, you were more or less the senior deputy assistant administrator, whatever that seems to mean. (Inaudible) those two offices were pretty- They weren't like a typical office in a bureau. There were like mini-bureaus in and of themselves, the PVO office having its own political constituency. Actually, each of the offices had its own. When I think about it, there were three programs which were dominated by domestic political constituencies, whether it was the food aid community and the relationship with the USDA, or the PVO community, or certain members of the Congress who supported the American schools and hospitals abroad program.

I think that's a unique program which the Agency never paid much attention to. I think at that time it was dispensing something on the order of $60 million a year. If you put that in

foundation terms, which is almost what it was, they were making small grants to schools and hospitals abroad, which had a historical affiliation with the United States. I'll come back to the politics of it, but there are organizations in India, a couple of national colleges which were founded by missionaries. Lots of these programs had been supported by missionaries and then when AID came along, undercut a lot of public support for missionary support in a lot of the churches and it moved on to the public role. This organization was party created to make up for that collapse in funding for those organizations. There was the American Hospital in Paris, for example, after the war. In India alone, there were two or three important medical institutions supported by the Presbyterian church which were picked up. And similarly around the world. The political support for it, however, was to support a number of institutions in Israel.

I think historically the political support came from the decline in funding available for important mission support, privately supported, religiously supported institutions abroad.

In more recent years, the political support on the Hill largely came from two places. There was very strong political support. The Agency had virtually no control over this program that we (inaudible). Support for Israeli institutions and activities that Johns Hopkins University was interested in. That was a very powerful political force.

*Q: Was the American University in Beirut involved still?*

CYLKE: Yes. American University of Cairo had some money. It was a $60 million program run by three people. There were three officers who ran that program. They had an annual review of their proposals by an outside committee. They ran it like a foundation. What struck me was, if you're looking also for a development assistance model into the future, look at that one. Sixty million dollars a year would be a huge foundation. I don't know how much the Ford Foundation puts out for international activities every year, but it's probably not a heck of a lot more than $60 million a year. That's a lot of money, and yet no attention is paid to it by the Agency. None. In fact, as the deputy assistant administrator, any attention that I wanted to bring to bear on it was not well received. It was an independent, small foundation. Well run - I had no criticism for what they were doing. But it never reached the radarscope of the Agency at all.

*Q: Didn't the Agency try to cut the funding?*

CYLKE: The Agency was constantly trying to cut it, to no avail. (Inaudible) tried to cope. It had a lot of the medical groups that went around the world - doctors groups that got together, repairing people's eyes or noses or plastic surgery for cleft palates, all kinds of what I'd call the small- (Inaudible) older American institutions which had been out there for years and then there were these what I call "special interest" kinds of things, which appealed to certain very distinct constituencies in the United States and were very hard to oppose because they appealed to the emotional instincts of lots of Americans and, in a development sense, we might have said, "Well, that wasn't $60 million worth spending." But given their mandate, it seemed to me that projects they selected and how

they tried to choose it was fairly well spent, which doesn't answer the question of all things being equal when you put that much money into that resource.

*Q: This program was distinct from the PVO program?*

CYLKE: Absolutely.

*Q: How would draw the line between the two groups? Some of those that you described are PVOs.*

CYLKE: These were supposed to be institutions with an American tradition. The American missionary college movement- They promoted distinctively American ambitions. And they were institutions. So, as opposed to CARE, which was a PVO, in the part of programs overseas, CARE never presented itself as a distinctive institution in India. These were distinctive organizational units, hospitals and schools, research organizations, as opposed to most American PVOs, which collected money and supported varieties of programs but weren't identified with specific hospitals.

*Q: Were there special criteria beyond what you just mentioned that your group employed?*

CYLKE: They tried, from year to year, to impose criteria, but the Congress was- The thing was so driven by certain institutions that any effort to impose criteria which would leave out the specific institutions, which were of interest to people on the Hill, they weren't going to be accepted.

*Q: What institutions were you talking about?*

CYLKE: But they weren't evil institutions. There was the graduate school of Weizmann Scientific Institute at Israeli University. There were also three or four Israeli university projects (inaudible) like American University in Beirut, and their roots were in a hospital that served Palestinians, which was located now on the West Bank. But these were all institutions with not improper, but with very potent political support and support came from the Hill. I think it almost reminds me of EX-IM and Reagan. He used to put in zero for the EX-IM Bank that Congress put in anyway. I think the Agency would have put in zero for Americans schools and hospitals. Every year they tried, they got more than they asked for.

*Q: But these were often linked to a particular Congressman?*

CYLKE: Yes. They definitely ran programs. There was no doubt about what was going on.

*Q: What did you think about the significance of it? I mean, Congress didn't want to cut it out, but from your perspective-*

CYLKE: I was coming away from the fact that there were certain predetermined kind of recipients. If you stepped away from that, they were looking at a development cooperation program- As I mentioned, for example, the collaboration between (Thai) University and the building of the chemical college. I think both the development and the political significance of important American institutions located with the educational system of Thailand and bringing to bear a distinctive American approach to education or whatever it was, a foundation-like program which could get small grants around (inaudible), that seems to be to be a not insensible instrument of American development diplomacy.

*Q: Were they straight grants? I mean, did they run a check?*

CYLKE: They weren't followed up. The office included an engineer. A lot of them were construction grants. You asked about criteria. As I recall, there were criteria which that office had tried to impose. They would not provide operating money, but almost all capital grants- And there were cost-generating kinds of requirements to the extent that they could vote them. But they had moved away from operating support almost in all cases to capital support. (Inaudible.)

The next office, of course, was the Office of Private Voluntary Assistance. That was a different kettle fish. That was really support to American PVOs. Over the years, the Agency had had different kinds of rubrics and (inaudible). They had the difference between operating support grants and core grants to get organizations going. There was a pot of money and now, to be frank with you, I can't recall off the top of my head how much money it would be, but it was certainly more than $60 million a year. PVOs would come in and get grants for- It was not unlike the American schools and hospitals abroad. It was set aside for the PVOs, which they requested and which they got, and which, from year to year, tried to be given certain kinds of criteria to get certain kinds of things going, like health care. Substantive views of the Agency, but they were programs that were going to go out to those NGOs.

*Q: There were organizational development grants as well?*

CYLKE: Yes. They were also given once a year, there was also a panel that came in and reviewed the proposal. There was an annual RFP that went out to those organizations. There was that part of the program. There was also a PVO committee, which the office supported, which had presumably advised the administrator on the relationships with the NGO community. Not very powerful in its moment. I think the Agency had an uneasy relationship with the PVOs. They relied on the PVOs for Congressional support and, at the same time, I don't think the Agency's ever been comfortable with having direction come from outside the Agency as to how and where it should spend its money. So, there was a very uneasy- There was a part of them where they had to nurture that committee to get them to go to the Hill to support. But to the extent the NGOs stepped over the line and proposed alternatives to AID management which would put them much more in control, the Agency was uncomfortable with the committee. In my year and a half, I don't believe- Well, the administrator was such that the committee never met with the administrator

during that period of time, even though that committee had a full-time AID officer in support of it and conducted certain surveys and studies. But I'd have to say, at that point, it was not terribly effective. They certainly, as a committee, didn't have much impact on the Agency. There were other groups aborning. There was PACT and the Interaction. Interaction had a heck of a much bigger impact on the Agency than the Committee for Voluntary Assistance. There was some interaction between the two.

It was not one of my favorite tasks, the head of emergency assistance. At that time, I thought there was a certain dialectic that went on because I was involved with emergency assistance program. In Ethiopia, (inaudible) came back at that time. There was a certain dialectic, I thought, where the Interaction people would go and make charges about AID not being responsive to disaster relief, which, frankly, being on the inside, I thought were patently unfair. I'm not entirely supportive of where the Agency's come out on. I think the Agency ought to be even more sensitive to those kinds of situations than it was, but I thought that there was almost an ultimaticity to reflex kind of statement, which Interaction would say. It was a dialectic. They would just assert that the Agency wasn't as responsive, blah, blah, blah, blah, blah. Yet they lived inside their own gestalt with certain kinds of (inaudible) that they would do, wouldn't do, etc. I thought it was a disappointing and not very intelligent exchange between AID and the NGO community on issues of (inaudible). There were set piece positions. It was very difficult to be honest with them or to give much information of what the department was thinking because it would be used against the Agency. It was part of their, I think underscoring or underlining what they considered to be their distinctive role. It was rather disappointing, from my point of view.

*Q: What about for development and other issues more generally focused on development issues?*

CYLKE: There's a certain misnomer about it. The largest recipients of food aid and assistance were CARE and CRS. These were large bureaucracies who got the bulk of their funding from AID. We called them "private voluntary agencies" if they want. They had large fundraising kinds of programs, but when push came to shove, I think they were 90 percent of both their funding. I don't know that they represented a distinctive view of development from the core of the American public. They too are bureaucracies like AID was a bureaucracy, with a corporate culture and they reflected their corporate culture and they had very distinct interests at stake after all: 90 percent of their funding. So, while they had some interesting kinds of ideas, I didn't think there was anything fundamentally different or more virtuous about a private voluntary organization than a government agency. I think there was a certain assumption on their part, which is part of the whole Reagan era of denigrating government, that there was something (inaudible). I've been known as a critical person, but here I had to (inaudible) the Agency. There was a certain kind of rote critique of AID and the way in which government operated and a kind of rote critique of the way in which government people thought and interacted, which had no resemblance to what actually goes on in government. I don't know that they represented much more than what the senior administration of those (inaudible), as opposed to lots of the young people that they brought into their agencies, which came in with the same kind

of spirit I think a lot of young people came into AID with, a fresher, closer to the ground, Peace Corps kind of spirit. The senior officers were, in addition to thinking they were closer to God, had a very distinctive- They had appropriated to themselves this sense that they cared more about the poor and more about people than the government. But they had very strong institutional interests at stake.

*Q: Were there any particular issues that you had to deal with at that time with this committee?*

CYLKE: Yes. There were a couple. Ethiopian drought was one. That was something. One, I became acquainted with Julia Taft, who was the head of the Emergency Disaster Office, who was currently the head of Interaction, who I thought was an extraordinary public servant. Anyone who thought that there was not anyone in government who cared about disasters and that they weren't well represented, this took the role that Julia Taft, I think, played. You could say that Julia Taft almost overplayed her role, but to the extent there was a dialectic and certain forces within the administration or within the bureaucracy, which (inaudible) also, from their perspective, legitimate reasons, were sensitive to the over pleading of those kinds of cases, that case was well represented by a very formidable person. Very outspoken and handled herself and her personality in a way in which made her extremely effective, I thought, within the administration.

At that time, the assistant administrator of the Africa bureau was Chuck Gladson and his deputy was Larry Saiers. They represented a viewpoint which was that disasters were getting in the way of development. They were very strong "let's get the prices right" kind of attitude about Africa. I would say that they fought tooth and nail our engagement in Ethiopia on drought. Tooth and nail.

*Q: Does this have anything to do with Mengistu government?*

CYLKE: There were two perceptions. Larry is a very close friend of mine, by the way, and one of the more extraordinary AID officers I've ever served with. I mentioned I'd been with him in Afghanistan. Larry felt very strongly that you had to get the prices right and that disaster relief and putting in food distorted that kind of a situation. Gladson, I think, represented a viewpoint of the political. After all, we still had a rogue government in Ethiopia on the wrong side of the political. Anything that we did would be seen as buttressing that kind of regime. Both legitimate viewpoints.

*Q: And a communist.*

CYLKE: And a communist country. I was wondering whether I should say "communist" because it was communist, but- That's fair to say, absolutely. Both of them had a principled position. This wasn't ignorance talking; this was a principled position. For my own perspective in balancing it was that tough issues- First of all, there were certain Ethiopians or people who lived in Ethiopia but didn't even know they were in Ethiopia. These were people that were looking at it from the edge of a desert or somewhere, had no cognizance of a political entity that they were in, whose lives were being decided about

whether it would be good or bad for our support for a country that they didn't even know existed. It seemed to me that the United States cannot assume the responsibility for feeding everybody in the world. We don't have the resources. Choice, regrettably, have to be made. Regrettably, food aid, you have to be very careful with it because, in fact, you can destabilize an economy and turn it into a shambles through the pricing, with long-lasting effects. Having said that, it seems to me that there are situations which, for whatever reasons, rise the level of world consciousness, that sear the conscience and that you can't avoid identifying with, or you do it at the peril of the integrity of what we stand for as a nation. It's hard for me to say anything more than that those situations become self-evident. They may not be self-evident at the beginning of a crisis and so it's very difficult for policy makers to make a judgment whether it's going to be one. But it seems to me that Goma is one of them today. Bosnia was clearly one of them, as far as I'm concerned. The situation in Ethiopia was clearly one of them at that time. Whether Somalia was the right place to enter or not during the Clinton administration, I'd have to go back and reconsider. I want to say that I don't think it's every situation. We can't be everywhere. Local governments do have certain responsibilities for what they do. But if you think of Goma today, there is no local government taking a responsibility for anything. It's a symbol to me of, where there isn't a nation-state representing itself in the United Nations and those other forums, the people really suffer. I think it was Daniel Shore on the radio was saying this weekend that the whole question of collective security is at stake in this kind of a situation.

But I did witness within the Agency an intelligent debate between someone like Julia Taft, representing an interest - and I was allied with her on this particular issue on Ethiopia- The Africa bureau was taking a position for principle kind of reasons. We then get yourself out into the interagency process with USDA. Curiously enough, much more cautious. And, for their own reasons, I think, just conservative and cautious, as opposed to the position that Gladson and Saiers were taking, which were rooted in policy kinds of- Then, of course, you had people on the Hill, the most vocal people on the Hill being much more supportive of intervention than-

*Q: Who was the administrator at this time?*

CYLKE: There wasn't an administrator. The Agency was running itself It is also interesting that the Agency can't run itself. I don't know who the deputy was. It must have been Ray Love. In the old days when you'd go up to the front office, there would be someone. There was no one in the front office. This was really Julia-

*Q: This was after McPherson had left?*

CYLKE: This was after McPherson had left. This was Julia Taft and Chuck Gladson and USDA and the Hill. We finally did get assistance in there. There were all kinds of questions about-

Then you come to the PL480 office in Washington, which had no career standing in the Agency. The Agency had this sense, and you see it in the EER process, that you're

supposed to serve in missions and that, if you serve on special programs, you don't get recognition. It seems to me that it's a very tough agency. I've known a lot of young people who have been offered really interesting assignments that aren't really main line mission and they haven't taken them because they feel that, the way our system works, the mission was the way you had to go if you wanted to advance your career. People in food aid, like the people we mentioned earlier in emergency aid, were a special breed of animal, a special culture onto themselves. Extremely hardworking people. I never worked with a group of people like that. These people worked round the clock, monitoring shipments, when they got there, ordering trucks, sending special missions out to the field. Some of the people I remember from this business: Jesse Snyder, who was quite a distinctive guy in the Africa bureau. I think that's the right name. Hunter Farnham again. It's a group of names that I can't fully conjure up. I have enormous respect for these men and women. What I felt was that, from a management point of view, not only was PL480 out of it in terms of main line agency thinking, but that there was a whole special set of considerations which one had to bring to bear as a food aid officer. You had to understand the kind of politics we explained before. You really ought to understand the economics of the relationship between pricing and what was going to happen. There were a whole set of food aid management responsibilities which fell on you, which were incredibly important because you were managing huge, lumpy amounts of resources which went outside the control of government very, very often. So, it was a really judiciary kind of attitude you had to have. We tried to introduce the idea of what we called "food aid certified officers," that every mission ought to have an officer who, even if he wasn't in the Food for Peace cone (because that was clearly dead; the Agency was going to cut out that cone) would at least go through a specialized training program and be food aid certified.

This falls back to a concern I had over capital development issues I mentioned earlier, that sometimes I think the Agency, with all of its concern about audit and everything, there were certain management responsibilities. I think we have enough engineers in place to really certify that these projects were strong enough. Did we have enough Food for Peace officers or people who knew that system, which was distinctive enough to really protect the Agency in terms of the obligations that it had. We tried to introduce the notion of food certification and that of food management plans of countries. We actually handed that responsibility over for trying to define that to - I think it was CARE and CRS actually; we gave them a grant to begin to develop a curriculum and criteria for food aid officers which would almost be identical to their own officer as for AID officers. After all, they did manage the program. They had a similar kind of responsibility. I thought that that kind of institutional management was something which is, I think, consistently lacking somehow in the Agency. That was one thing that we did.

The other important thing during the time that I was there, working with Barry Riley, who was a longtime Africa bureau program officer, a classic all-star kind of program economist, program officer, served in almost every country in East Africa, and a fellow who is still in the Asia bureau now, called Jerre Manarolla and another fellow in that office called John O'Rourke. They were the policy office in the food aid office. It was an office that was doing lots of weird studies over the years, micro studies. But during my

time there, Barry developed the idea of food security. Were we really concerned about calories or were we really concerned about incomes and getting incomes into people's hands to buy food, etc. Jerry and Barry really developed quite an articulate set of papers and argument around trying to get food aid wrapped around an idea like food security. Food aid really was not wrapped around an idea. It was really wrapped around the commodity, I have to say. To be truthful, I think partly because the Agency never paid enough attention to it and was afraid of it, didn't give it the kind of intellectual standing which I thought it could have had. Whether food security was the right rubric for this or not, at least it was an effort on these people's part to really carry that idea forward. Very hard to sell it in the Agency. We tried to interact with the global bureau's nutrition office and got nowhere. The nutrition office seemed to be all wrapped up in micronutrients. We couldn't get them up to that level. The bureaus weren't interested at all. They were more afraid of PL480 than enamored of PL480, particularly of Title II, which was outside of their direct control and therefore probably of less interest. Dealing with CARE and CRS was not easy. Now that it was out beyond their control, if you wanted to get it in control, you were going to get into major institutional battles over who was responsible for this resource. All things being equal, CARE and CRS probably did a fairly good job, so why not leave them alone?

I think these fellows really tried to develop an intellectual idea. The sad part of it was that Barry essentially left the Agency and went to the World Bank. The World Bank was quite taken with his work on food security. He did a lot of work in Mozambique and all over Africa for the World Bank for two years and he's still consulting with the World Bank on food security kinds of things.

*Q: What does "food security" mean?*

CYLKE: Food security really was taking a look at a combination of nutritional status in the country and incomes and trying to relate- The question wasn't so much an import requirement. It was really trying to take a look at food as a system. It dealt with both agricultural issues in terms of ag production, but the proper role for imports and for many countries, the continuing import of food is not a negative (inaudible). We import certain kinds of food. After all, they import beef from Argentina or somewhere for McDonald's. But all countries aren't going to be self-sufficient. So, how do look at the whole foreign exchange management of food imports to nutritional incomes but, most importantly, taking a look at incomes and trying to see where you really focused your attention. An awful lot of the focus was on income-generating activities in poor communities where, in fact, there was adequate food but inadequate income to buy that food. The solution to all problems was not the importation of food. It was really income-generating activity. (Inaudible) rationale around what we were doing.

*Q: Did this relate to the Food for Work program?*

CYLKE: (Inaudible) to Food for Work but, again, what they were trying to do was develop a theory and an approach which they could engage missions in an engagement. It wasn't a directly effort directly tied to change- It related to Food for Work, but it wasn't a

direct effort trying to relate to the NGOs. The NGOs clearly, CARE and CRS were not interested in what AID had to say about anything, frankly. They had their own theory, their own approach. Both of them led by very tough leaders, not negotiating types. I think they also postured themselves not unlike interaction, in a negative posture, the Agency and felt that, in terms of their overall resource availabilities from the Agency, that was the better posture to be in than (inaudible). Although I respected them for where they were- I know CARE and CRS quite well. I think they're very well-run organizations. In India, the CARE program was a very well-run, intelligently based kind of organization. But in Washington, in terms of its interaction with the Agency, it wasn't cooperative and, I think, purposely so because there was a gestalt around the whole thing. The NGOs were expected to play their role, which was government is bad, government isn't (inaudible) as we are. That was related to a longer-term strategy, that the NGOs saw themselves being able to replace, I think, the Agency in its role.

(Inaudible) the development premise. While there were a lot of good things which CARE and CRS did, I think their core history was more rooted in the humanitarian kind of instinct than the development kind of instinct. This is not to be critical. I think that's valuable and they did some good development things. But, if you would take Larry Saiers as an example of an AID officer in Africa, his core basic values were rooted in understanding a development system. That sometimes ran up against humanitarian interests, which almost had to override.

On the CARE and CRS side, I think they were rooted, historically, in humanitarian instinct, even though they too brought to bear some fairly good development kinds of work. But pitch them in a (inaudible) with the Agency, which then also related to their ability to raise funds and their posture on the Hill in the community.

*Q: You also had PL480 Title I under your responsibility?*

CYLKE: We also had Title One at that time. The office didn't have an awful lot to do with- It was really more of a Title Two office than a Title I office. The Title I office was more of a budget office for Title I. The missions ran the Title I policy dialogue.

*Q: Title III.*

CYLKE: It was Title I and Title III. They were responsible for that. We really didn't get into that. We were really a budget office vis a vis USDA, vis a vis Title I, not a program manager of vis a vis Title I. USDA, however, also had its institutional interest, which I guess is the value of government. Every one has their role to play. They really represented U.S. wheat interests. There was no question about that.

I'll give an example, if I can. After I left the Agency, I went to Hungary on a mission with a very distinguished team of people from- We had the dean of the School of Agriculture at Kansas State, a couple of faculty from Iowa State, people from ACDI. They were a fairly good team of people around. There was a presumed shortage of feed stock in Hungary. As it turns out, of course, what is a shortage? There wasn't a shortage; there was

a price flux. There was certainly grain to buy. It was not an absolute absence. The prices were high.

There were a couple of interesting things about it I want to mention. First of all, the Chicago Mercantile Exchange had actually set up a grain exchange in Hungary. This was just immediately after the (inaudible). This was a phenomenon. If you went there any day and watched the exchange, there was a crowd of people like you would see at a rock concert. Not quite as many, but there would be 100 people in the gallery just watching this process. It's your classic market mechanism, on the floor at work. We thought that, in fact, if the United States even announced a grain shipment to Hungary, the price would probably change like that and your problem would resolve itself. It wasn't an absolute availability. We argued that we ought to- There was a commitment to do $20 million worth of grain transfer through the exchange, but this was what the United States should be supporting (inaudible) start supporting the marketplace and then use the local currency generations, actually, to help support the privatization of agricultural institutions like the fertilizer industry and the seed industry. It seemed to me to make imminent good sense. This was supported by Ambassador someone, who was running the East European program for the State Department and someone who subsequently went out as Ambassador to Indonesia, whose name escapes me for the moment, he thought it was very difficult. But on this issue, he came right to AID's support. USDA would not support it, period. They wanted to deal with the old group that they had sold grain to from the old days, because they didn't want to disrupt their customer. Their customers were concerned with the Grain Corporation of Hungary. There was no discussion of development. It was "Who was the ultimate customer" and that customer they saw. I remember clearly, meeting with those fellows. I often said, we met in a room with no windows. It was a tough guy kind of negotiation. My sense was that USDA in effect was proposing that the United States replaced the old relationship which the Soviet Union had to Hungary, of the major supplier of the entrenched interests of the state. I was just flabbergasted that AID really had no ability to interact on that. The Ambassador took it as far as he could. I was on vacation. He called me at my vacation hotel and told me he had finally given up. He just couldn't get through the USDA thing, which I think- We all have our customers and their customer was to keep the Grain Support Corporation of Hungary in place as a major buyer of U.S. wheat, which is, I suppose, not an unimportant commercial relationship of the United States but, it seems to me, totally unrelated to any development aspirations. That's a case where State and AID worked together. But those interests are way beyond the ability, I think-

*Q: While you were in this position, did you meet with this interagency group on PL480?*

CYLKE: Yes. At the budgetary level, there was an understanding between the old pros at USDA and AID. They knew how the game worked. It had nothing to do with policy. It had to do with shifting numbers. At the policy level, I'd say there was virtually no communication or effective understanding of each other's positions.

*Q: What about the views of State then and Treasury?*

CYLKE: The views of State and OMB and AID and USDA. I would say, for most of them, the context of those interagency meetings was that PL480 was not really a development tool. It was an economic tool of some kind, a political tool and a trade tool, but it certainly wasn't a development tool as far as they were concerned. I think AID's done a good job with Title I and Title III around the world.

*Q: But the Title III was supposed to have more of a development interest?*

CYLKE: Yes, they would look at it from that point of view, but their interests in it were really the allocations, not really the content of the use. That was left to AID, I thought, pretty much. I've mentioned East Asia and the Eastern Europeans because it was such a stark example of not AID coming in with what one might say would be a retrograde idea about poor people or something abstract, we were talking about marketing grain through a 20th century Chicago Mercantile Exchange. There was nothing obscure or anything about it. It was just rejected out of hand. We couldn't get anywhere with that idea.

Again, it's this enormous resource outside of the mainstream of AID culture. During that time, there was no interaction with the front office because there wasn't a front office. And very little interaction with the regional bureaus, except at the budget level. But no real substantive interaction with the bureaus. It was a bureau that was off on its own.

*Q: Did you deal with State on the levels issue?*

CYLKE: Yes. We had much more interaction with State, if you want to get down to it, than with AID. We were also responsible for the Rural Food program. There was a regular interaction in Rome reviewing Rural Food program projects. I thought that was again an example of where I think the UN organization, which did great work during drought, did fairly poor work vis a vis development. There was this kind of arcane (inaudible) organizational review panel, where they reviewed these projects with every country on earth giving a statement on projects. We tried to introduce the idea to the American delegation that would take two or three themes. The only comments we'd make on projects would relate to those three themes, so people would know what America was trying to push in the system. But even that was resisted.

*Q: What kind of themes are you talking about?*

CYLKE: We were talking about sustainability, relationship to pricing policy and in the country. But the pressure was specifically of an ad hoc comment, poorly presented kind of project paper, presented to you in this endless stream of people talking about it. I have to say, I was somewhat disillusioned with it (inaudible) experience.

I retired in December of 1989 for a number of reasons, which may be worth mentioning. I turned 50 in 1988. I had often said to myself over the course of my career that I would take advantage of (inaudible) long enough and I'd want to stay in the development world, but that I would retire.

Secondly, I had been promoted to a stage where, as current administrator, I wouldn't be promoted again. While you don't work just for promotion, as someone said to me, "The only thing that can happen to you now is bad." (Inaudible).

Third, the family had decided as a family issue that they really did not want to go overseas again. My wife made the argument that she'd do anything that was going back to the older days, where it was a different spousal relationship where the spouse was really (inaudible), that she'd do anything that was in line with my career, but she couldn't see that I had a successful career and any other overseas assignment was to please my personal kind of aspirations rather than my career aspirations. So, I think a combination of my age, the point that I had reached in the Agency at the age of 50 and had been a deputy assistant administrator and a mission director and career minister, the fact that the family didn't want to go overseas again, and the sense that I had an opportunity-

I will say that this was the beginning of the Time-in-class (TIC) out business. (Ina) '89, you were still- Actually, it had just started, as a matter of fact. I think you had good promise that you would be extended. The dropping out of people came somewhat later. But I will say that my TIC was up in March. I retired in December. As of December, I still hadn't been told by the Agency whether I was going to be continued in March or not. (Inaudible) counselor (inaudible) probably wasn't a problem, but in terms of having a piece of paper in your hand- I talked to McPherson about it. He happened to be in the office one day. He had (inaudible). We were talking about this. It's a hell of a way to treat senior officers in a career situation. After three months of leaving an Agency to which you've given 25 years of service and they couldn't tell you whether you would be employed 90 days forward. I think it was leaving senior officers in an almost humiliating, ill-treated kind of- I didn't feel abused by it because I had decided to go, but I do recall mentioning to them upstairs that I thought it was outrageous that it was December 31st and no one could tell me whether I'd be employed 90 days after.

*Q: It could be a form of passive encouragement to leave?*

CYLKE: I don't think at that time it really was. This was before that time. It was just starting. I had been offered a job as the deputy assistant administrator of the Asia bureau, so I was going to move (inaudible), who I subsequently came into a relationship with, and actually accepted that job. I was determined to retire at any rate, partly because of the job which I was offered, which was to be the president of a thing called "The Association of Big Eight Universities," which was- The Big Eight Universities are a group of Midwestern research organizations and the NEWC, which is an agricultural consortium with five of those universities. The presidents of those universities decided to expand their interests beyond agriculture and to include the non land grant members, which were the University of Colorado, Kansas, and Oklahoma, in a broader international consortium.

*Q: Elaborate on this consortium. Why is it and what was it supposed to do?*

CYLKE: I come from the East Coast, so I had very little affiliation with these universities, but I came to have quite a bit of respect for them. It was the University of Oklahoma, Oklahoma State University, Kansas, Kansas State, Missouri, Iowa State, Nebraska, and the University of Colorado. The presidents of the universities met quarterly. One, as a peer group, to talk about their problems in life. That was the one peer group they could talk to. They couldn't find one on campus. Secondly, to administer the Big Eight, which was the football conference. They didn't know much about NYAC, which was the agricultural consortium, which was really run by the five agricultural deans and the five land grant members of the Big Eight. But they were taken with the idea that, in today's world, a broader consortium of broader interests might make sense. Which was the Midwest international agricultural consortium. They proposed to the deans that they expand it and call it the "Midwest International Activities Consortium." The deans rejected that proposal by the president. The president said, "Well, the hell with you guys. We'll form our own association," which they call the "Association of Big Eight Universities" and recruited me.

As I look back on it, I should have been more careful- The interview was almost (inaudible). They were very interested in recruiting me. They wanted someone from AID with my kind of experience. I very much had dreamed my whole life about going to a university. I couldn't get any university to even respond to a letter, and yet here were the presidents of these universities trying to recruit me. So, neither of us asked the kind of tough questions about what was this consortium to do. Clearly, AID wasn't looking for yet another university consortium! I didn't realize the politics of the universities and that was that there was no more reason for a guy at Oklahoma State University to be interested in another member of the Big Eight because it was a football conference that interested someone at California or New York University. I didn't realize that universities weren't bureaucracies and that each professor was unto himself. I didn't understand an awful lot. I certainly didn't understand the politics of it, where the ag deans were really at war with the presidents of the universities and were, in retrospect, a hell of a lot stronger than the presidents of the universities. As it turns out, they had two or three extension officers in every town in every one of those states. That's quite a powerful political posture to be in. The president of Kansas State University tried to close his school of nutrition or home economics. He almost got fired because every woman in Kansas had been educated by the home economics faculty at Kansas State University. Unbelievable.

At any rate, my interest in going with them was somewhat different. Is there a way of projecting in a global economy a broader range of development promotion activity from real institutions in our society that have an interest in development promotion, not because they get money to do development activities per se, but because what they do happens to be development.

So, with the Association, who I was with for almost three years, we organized around two ideas. One was food systems. We had the Commodity Exchange in Kansas City. We had big agro industry kinds of organizations. We had the agricultural parts of the universities. Could we take that kind of activity and project it out into Eastern Europe, where you would be bringing to bear not only- You'd be bringing to bear a development outcome,

but a development outcome which was synonymous with the interests of the participating institutions. On the environment, for example, I was intrigued that, if you took a city like Kansas City, it had Midwest Research Institute, two prominent universities, Black and Beach, one of the largest environmental consulting firms in the United States. If you reached over a little bit to Saint Louis, you had the Saint Louis Botanical Garden, with Dr. Raven as the head of it, who is one of the preeminent environmentalists in the world. You had the makings of a research triangle kind of capacity rooted in a geographic kind of region, using the university as the organizing force to be promoting economic development and interests of that region onto an international stage. I have to say that that's a hell of a lot harder to do than to say and that the universities' interests didn't rise to that level. They were more interested in getting contracts for their campuses than they were in being a development agent in the new development era. I would say, my ideas might have been fuzzier than they-

*Q: You had two?*

CYLKE: Two major (inaudible). One was environment and one was food systems. That's what I chose. We did a couple of interesting activities. Choo Long Kuan University activity is one that I mentioned. As a consultant, I learned how to bid a project. The Agency had a development studies program and they started an environmental program along the lines of the development studies program for environmental economics. I put together the consortium that bid that and won that with Winrock and Resources for the Future. But I also learned how that process works. I was trying to get on as a sub just to build an institutional resume. That's how you win projects with AID, but then the subs never get any work from the (inaudible). It's quite a tricky business, as you learn when you get out there. But we won that project. I also got a PVO grant. In the PVO program, there was a program - I can't recall what it was called now, but it was to increase the development capability of various development institutions to understand development economics.

I won a grant from AID to introduce numbers of people on the Big Eight campuses who were doing things related to development but didn't have any conscious development framework within which to start a program of training for them. I actually engaged development studies people at AID under a separate contract to run a set of workshops and seminars for people. For example, the Big Eight had quite a capability in the area of biodiversity. It did a lot of work in Central America through their museums and through their biology departments and the Missouri Botanical Garden. Quite a distinguished capability. But none of it in a development context. One of my ideas was to build their ability to- We couldn't go after work related to development outcomes if they didn't have that background. So we started this development studies program and that was quite successful. People liked it. In the end, however, what I found I was doing was, I was running Owen Cylke's consulting firm with a franchise from the Big Eight. I was getting work for work that I was interested in because of my own interests in contacts. I was not well-connected to the campus. So, I had the name, their stationery, and their support, but I couldn't see that I was doing anything of inestimable value either to the region or to the universities. That just built up a lot of pressure on myself because I wasn't able to

achieve, I thought, what they were after. The presidents actually seemed to be quite content with what was going on. I don't know that their ambitions were very high. They simply wanted to have this association going. I was disappointed in my own ability to really project this forward.

So, at this time, along came the woman who had offered me the job as her deputy, Henrietta Holman Fore, who has put together the idea of the U.S.-Asia Environmental Partnership. she asked whether I'd be willing to work on that program. She had been asking me for about six or seven months-

*Q: Before you mention that, did you have any (inaudible) in the Title 12 BIFAD World?*

CYLKE: No, (inaudible) and the presidents of the universities didn't communicate, period. There was another thing that bid in this thing. They were out to kill this Association of Big Eight Universities. As far as they were concerned, they were the embodiment of those universities. They had a deep-seated distrust of the non land grant universities. They called the shots. The presidents didn't call the shots. While I spent an awful lot of time on the campus with them, you had people who were individually quite good people, they were also very tough bureaucratic infighters.

*Q: In India, did you have any dealings with BIFAD?*

CYLKE: Not anything sharp. The gentleman who was the head of the BIFAD board, a former president of the University of Florida, whose name escapes me - a very gentlemanly guy who was (inaudible) out to India three different time. But my sense in India (we never got anywhere) was that the ag universities were the wrong place to put money in the Indian project. They were much too inward-looking, under funded, autarkic, unconnected to real development outcomes. In India, they were so much more connected to a scientific agenda than what I call "technology agenda" that they were the wrong institutions to work for. I think BIFAD was disappointed I didn't see the world that way, but we never really put a BIFAD program together.

*Q: But those were the institutions in which we had made a big investment in the earlier period.*

CYLKE: We had, but my sense was, if you wanted to lead them out, you almost had to set a competing concept agenda. As you'll recall, I talked about biotechnology because they were willing to work interdisciplinary, they were willing to work against an outcome with the private sector, and they were willing to work internationally. I don't think you can run any kind of a technology program which isn't internationally connected. I just don't see how you can. The scientific endeavor now is without borders. I think the Choo Long Kuan University situation, where they said, "How can we run a first-class university without having a root in Houston" really defines the future much more than a autarkic system, which says, "We're going to run our own research thing in Pantnagar and the heck with the rest of the world and the heck with what the output of our scientific research is for."

*Q: From my understanding, they became more and more out of date, irrelevant and more introverted, is that correct?*

CYLKE: I think so. In India, the ag university system was just- We were funding individual research projects when I got to India that you couldn't see were dynamically connected to anything. That's not to put a blanket on all those universities and the work they were doing, but I didn't see that there was any wave there to ride in terms of trying to get them up a notch. The notch that I could see was trying to move another research agenda which might create a leadership cadre for how scientific research ought to be conducted in the country. As I said, the keys to that, I thought, were interdisciplinary kinds of connections. The ag universities out there wouldn't talk to the biology departments of other universities. It had to be connected to the international community and I say "private sector," but what I really mean is being connected to the users of technology and what the demands for scientific research (inaudible).

*Q: So in effect, they lost the drive for modernization and development that should have characterized the period?*

CYLKE: They were the leaders. I think part of that also comes from the decline of the government's extensions system as well, to a certain extent, which was unofficially being competed against by the larger fertilizer companies and the large seed companies, which are really performing that function. Better equipment sales were probably doing that job as effectively as the government system at that point.

*Q: Let's go back then to your work with this association.*

CYLKE: Then I left the Association. I want to mention Henrietta Olson Fore because I thought she was a unique person. And how idea emerged from different places. Henrietta went to a mission director's conference and said, "Hey, look, the Africa bureau has an initiative. They have the-" whatever it was.

*Q: African Development Fund.*

CYLKE: Russia's getting the money because there's Russia. If we're out of this, then we better develop an initiative or we're not going to be in business any longer. That's the bureaucratic side of it. So the mission directors of the Asia bureau decided that the one common theme throughout their region was the environment and that they ought to shape some kind of initiative around the environment. So the impetus for it really came from a bureaucratic drive of Henrietta. What she then brought to that initiative was a sense that it shouldn't just be a rubric. AID for too long, I think, has- Any of us who have worked in the Agency for a long time know that, if someone says, "Our initiative's now going to be X," we could line up any program that we had ongoing under X with facility, which I think was always frustrating to people who ran the Agency. You'd read this for a long time and then all of a sudden say, "Guess what? We've been doing what you wanted us to

do all along anyway." So she wanted it to be more than rubric. She really wanted to start an initiative which would be driven by her vision of the environment.

Secondly, she really wanted to engage the private sector, not just from a sales point of view. I think her sense was that development wasn't happening just because development agencies promoted development. Development happened because people - universities, private sector institutions, states, etc. - had a reason in today's global economy to be engaged. Her sense was that one role for AID was to create a development context, within which lots of these disaggregated ideas, that being driven by internal institutional purposes could be aggregated around a development goal to a development outcome. I think that was an interesting approach to this development cooperation idea. It is a counterpoint to the idea of creating a foundation. To my notion, I kept creating a foundation to create a pot of funds, which would still be administered largely as AID administers a pot of funds. Her idea was that, instead of that, or as an alternative to that, you created a context and some momentum or initiative around which lots of independent actors, spending their own funds, would continue to spend their own funds to their own interests, but within some kind of a context.

He asked me to join that program. I've been with it now for five years. I did it though the Tata Energy Research Institute, which is an Indian policy research organization incorporated in the United States. I often said I joined them rather than another institution for psychic symmetry, to be associated with a Third World development institution incorporated in the United States. I also like the idea that the head of it was 10,000 miles away, probably. But his feeling of incorporating in the United States is an incomplete vision, but an interesting vision. He believed he would never be taken seriously as long as he was perceived strictly as an Indian organization and that he had to incorporate in the United States in order to be taken as an equal and not treated as a small boy, if you will, by the other institutions. I think that was an uninteresting kind of vision. He's never really been able to fulfill the idea of what role he really plays in the United States as an Indian institution, other than a representation office for his office in India. But the notion of how you get that done, how you get rid of the donor industrialized world sense of "we are the leaders; we know better; we know more-" If you're going to have a development cooperation relationship, where you're not in the assistance relationship giving away money, you've got to find some way to break that cultural hierarchical relationship as well with much more mutual respect. I think that's what he was after. So, I gladly identified with him, even though it's an employment perch for strategic planning work that I'm doing for the US(inaudible).

There, I will just say two or three things. One of our key ideas was- Environment to me is almost like food aid. Most development people don't like environment either because I think they fear a special pleading foreign interests which, while important, gets disproportionate attention in the development context. I think it's a legitimate concern. Our argument is that it's not so much an environmental program as a development program concerned about economic growth. That, if you have economic growth at 12 percent a year in East Asia, where 80 percent of the industrial stock of the country can be stuff that is now on the ground today in just 20 years, that you won't have the opportunity

to get in front of that development agenda with sustainability kinds of concerns. Our sense was, they had the growth pattern down, they had the poverty issue pretty well dealt with, income distribution was dealt with, they hadn't dealt with democracy and the environment. Our interests was, "How do you build a sustainable development paradigm," not, "How do you promote the environment as such?" Number one. So it was an economic issue.

Secondly, a big issue. For some reason, I don't think the Agency has put its mind around this shift in developing countries. I think we all know it happened, but there's no consciousness of it. I started looking at when did these countries become industrial-led as opposed to agricultural-led. It's over some significant period of time. Indonesia's been led by industry now for almost 15 years. And yet I don't think the Agency or the development community's ever come to put the same attention on understanding that phenomenon, how it works, what its relationship to employment, to wages, to the environment, etc. really are. It's the same way we made the investment in the natural resource side. Mike Rock at Winrock kind of coined the notion of "clean revolution" to rhyme with "green revolution." His argument was that there's the potential in Asia to think about a restructuring of the industrial sector, which would be profound in its impact on the way in which development occurs in those countries as the restructuring of the agricultural sector was two generations ago around the green revolution. (Inaudible) come to believe that there are forces at work in the world which offer that which are dependent on things like, since 1984, private sector firms adopting a concern for the environment, for whatever reason that is different than 1984. The localization now has a way of spreading some of those ideas on a global stage which didn't exist before, partly through the desegregations of manufacturing, where so much of American manufacturing is taking place in Indonesia or in India or in China. Increasingly, you see it in child labor kinds of issues. You're seeing it in the environment. Projecting the values of Europe onto those people through the marketplace, not through international organizations, not through national governments. A big movement's called the "International Standards Organization." They have an international quality marker. There's now an international environmental quality marker. You see private banks now imposing environmental criteria because they're afraid of liability issues. I think there's a whole new phenomenon taking place under the rubric of private ordering, which gets added onto what national governments can do, what international organizations can do, which I know we in the development community and the political science community aren't yet up to getting onto. I guess my sense is that there's a real opportunity here for the Agency - because I think AID's way ahead on this issue of the World Bank, the Asian Development Bank, APEC, and ASIAN - to get itself organized around a big idea, sustainable development, in a practical kind of way. In a situation where development cooperation will work, the issue isn't more development assistance funds, the problem is, there's so much money being invested that what's the consequence going to be for the environment? Whether we like it or not, the East Asian development model is the model of choice which AID, the World Bank and everyone is pushing on the world. That's the development model of choice and yet it's being done without any real concern for the environmental consequence of what it is we're promoting. So I think there's a real case to be made that's not just an Asian phenomenon, but a worldwide phenomenon. It mixes an interesting

development problem with a tremendous opportunity with a different way of doing business. I don't want to go into great length on this because it's post-AID, but I think it had the beginnings of articulating a different way of doing business and thinking about development that AID could do at a dramatically lower cost. In integrating, I worked with the private sector so that it's trade in aid in its best sense. It's not AID trying to play the role of commercial-

*Q: How do you link that with the fact that the billions of people we're talking about in poverty are essentially rural and agriculturally oriented? How do you make that linkage?*

I'm not entirely certain myself why development has to be equated just with poverty. It seems to me there's a whole set of broader ranges of issues. The environment is part of the issue. There are equity issues. How does a country change its scientific endeavor and put it to the work of development if it isn't tied to the global- There are some things that don't directly affect poor people which will affect the context within which development takes place. It seems to me that, to the extent that the Agency is no longer an important resource transfer agent in many place, AID's engagement with development doesn't have to be equated with development assistance. There are place where we'll still play a development resource transfer role. In those cases, if you're transferring resources, I would argue that they probably ought to be targeted on the other end of the spectrum. But on countries where you're not an important resource transfer, you have to look at what are the important development ideas and where is your leverage to affect those kinds of ideas. It seems to me, in that context, you can bring yourself to bear in a non-targeted kind of way. I don't know if that's a fair answer to your question or not.

In the resource allocation sense, I don't argue with an agency saying that it's time to graduate Thailand, Indonesia, and the Philippines. I think it is timely to do that. I think the United States Government has a continuing interest in how development evolves in those regions. I guess that's where I come to the State Department issue. When it comes to resource transfer managing activities, I think the Agency has a specialized expertise which isn't easily transferred. However, I think we have an obligation to transfer the ideas that we've had about development and its role in the societal evolution and in regional evolution. An agency isn't going to be working because we've graduated from Thailand and those places, it doesn't mean the development issues are any less important. It means those countries are no longer clear cut cases for resource transfer. But it doesn't mean there still aren't development issues. If the Agency can't play that role, then it seems to me it's important that those kinds of ideas get embedded within the framework of what the State Department's about. I guess that's what I mean when I say I'm not concerned about the State Department moving into this area. Having said that, those places where we still do development assistance projects - Africa and South Asia - it seems to me that is a specialty expertise which the Agency's developed carefully over the years and it's worth maintaining in some form or another, wherever its management overhead might be placed.

*Q: Yes, that's very interesting and important. Let's link that to the question of foreign policy relationships to development. In your experience, did you feel that the U.S. foreign*

*policy interests, political security interests, helped or hindered the development process? And how does that look now and in the years to come?*

CYLKE: I think that, for my time in the Agency, the basic support for development activity didn't come from a real concern on the part of the Congress with development; it came with a concern about the Cold War. My perception was - and I'm not a student of this, so I don't know that - was that that's where the basic political consensus behind this kind of contribution came from. But in that context, the Agency- There was also an agreement that, having provided those resources, the expenditure of those resources, the Agency could deal with in a development framework, with the exception of the allocation of the resource to certain places for security-

*Q: But did you find those were in conflict and therefore there was pressure to meet these political objectives, upsetting the development interests?*

CYLKE: The only conflict that I would see was, I think many people in the Agency would have argued over the resource allocation, that there were more important places in the world to put the money than Turkey, or why put so much money in Egypt? I did not find any situation where I felt that the State Department's agenda was such, in my situation- Having said that, in your interview the other day- I don't think we were ever told that we couldn't deal with an issue, but we never had that option of pulling out of the country. But I'm not sure that the Agency ever accepted that as an option either. I can't remember an instance-

*Q: Like your Egyptian experience, where it was clearly a political agenda.*

CYLKE: I don't remember a case of being at odds with the State Department. I can remember, there were some instances where they had- Why weren't we more concerned with projects they had had that affected people's daily lives? But I don't consider that political. I mean, it seems to me, it would have been perfectly legitimate for a group of AID officers to have raised that same issue as a group of State officers.

*Q: But, you know, an interesting point on the Egypt program was that the Embassy and the Ambassador were pushing you to get more assistance out to the masses and the individuals and not to the infrastructure?*

CYLKE: That was not coming from within the Agency. There would have been a context where they would have quarreled with the policy. But the Egyptians, one, didn't pay any attention to our policy interventions and did allow us to yak on about it, so there wasn't any tension at the Embassy.

But I will say that the Embassy did have impact. The Embassy in India had a tremendous impact on the structure of our program. They wanted it to go toward the higher-end technology kinds of issues. That was clearly rooted not only in the Ambassador's personal perceptions about AID. The United State's Government's posture in India was organized around that. Whether it was the ag office or the science office or the economic

office, it was clearly around that. There happened to be a coincidence of interests between he and the administrator on that issue. But I never had a sharp disagreement with State.

*Q: Okay.*

CYLKE: I want to say again, I had a high regard for my relationships with AID, but in almost every instance I worked in, there was real intelligence and openness brought to bear, which is not to say there weren't bureaucratic hustles now and then, particularly with economic counselors here and there. But at the Ambassador level, I always thought it was very open.

*Q: Let's put the foreign policy dimension aside for a moment. Let's look just at the development side and AID's role in support of development initiatives. Were there particular program areas or particular projects, looking back over your career, that were some of the more significant areas of effort where we made a difference?*

CYLKE: Where we made a difference in programs I was associated with? First of all, in the broader sense of the world, I don't think the Agency's proud enough of what it's accomplished. For some reason that I don't understand, there seems to be a current depression. I think it relates to budgetary kind of figures. But what we've done about family planning worldwide seems to me to be absolutely extraordinary.

The green revolution, agricultural revolution around the world, while it's in the past in a certain sense, was really United States driven. I think that for all our talk about the policy dialogue and getting the prices right and IMF-type regulations but a place driven by price, I think the United States has had an important role to play.

*Q: Macroeconomic policy.*

CYLKE: The cases where AID's interests and, in fact, our State Department agenda, of trying to move countries to the Western capitalist orientation, we're really in sync. I don't think we ever thought of it that way. But there was a major thrust of our political movement, to move countries into that orbit. We always thought it was communist-capitalist, more sharply political, but it was also very ideological, as we found out during the Reagan years. It matched with our macroeconomic kind of thing. I think that's a third area where we have every right to take enormous kind of credit.

*Q: But you were also heavily involved in infrastructure?*

CYLKE: No, I was not. I want to go back to infrastructure. I think we financed infrastructure and I think those were important contributions. But I don't see them having the same kind of setting the stage kind of- But they do, in a certain sense, because they create a platform on which development takes place. I can't articulate it right now, but I put them in a different category. I don't want to make them less important, but they're in a different category than population, macroeconomic.

Then there were a whole range of boutique areas, where, I think, the United States has stood witness to issues like gender, concern for poverty. I haven't been involved with this micro enterprise kind of- But I think there are a set of ideas which got introduced to the development agenda-

*Q: You mentioned environment before.*

CYLKE: Environment is an area AID has had much to do with introducing the agenda. They haven't had that same kind of macro success yet that the others have, but they're on the development agenda of the World Bank and other donors every bit as much because we championed those ideas and put them there as any other.

I think that part of the failure to feel that we're successful is partly because of the move away from capital projects. As I said to you, when you have an administrator come out and you have to take him on a visit and you don't have the capital projects to take him to, it's hard to show an abstraction. You almost have to set a context in which there's a debate taking place where you can understand that abstraction has changed. It's hard to show off abstractions, except in the course of time. They don't have the same immediacy as the others.

I think, secondly, the Agency doesn't deal with abstractions easily. It doesn't deal with big ideas anymore in a very easy way. So, we're almost not comfortable with that, this whole results kind of orientation, the country focus, that we can only have these countries as opposed to those, takes the attention away from the broad, more thematic themes that this Agency has worked at and feels successful at. I think it takes away an organizing principle as to where to put your resources. If I was a mission director today, I'd be very hard-pressed to know exactly what the themes are that this Agency really considers to be-

*Q: One of them is support for democratic societies and so on. Did you have any experience with that in any other period?*

CYLKE: No, I don't remember that being- It probably should have been. I think, in the scheme of things, in fact, maybe this whole communist business was about that. But, in a specific, programmatic way, I don't think it ever rose and it never came to me in that kind of-

*Q: But in relationship to the political context within which you were carrying out development programs, it was sort of taken as a given?*

CYLKE: I think in Egypt, we understood that we were dealing with a decentralization process, rather than an evolution process. We weren't devolving any authority to peoples in communities. We were decentralizing a central administrative structure. My sense was, I distinguish what I see happening in Philippines from Indian on that basis. India is not evolving. They have an evolved democratic process with all kinds of problems in it. So, I think, we were sensitive to those kinds of issues. You can remember, we used the word

"participation," as I recall, over the years as an important element of our thing. But it was never, in my experience, a strategic thrust of the Agency. It was a contextual issue more than a strategic.

*Q: Were there any particular projects or programs that you were personally associated with or helped bring about that you particularly feel a lot of satisfaction with?*

CYLKE: I'd have to go get my resume and look at it! There were all kinds of programs that we worked on over the years that I think I was- Frankly, I think the program we're working on now, if you want to know the truth, is the most satisfying program that I've worked on in a long time because I think (and I think I've had some responsibility for it) it is now associated with an important development idea. The idea of development activities which aren't associated with an important broader, upscale development goal aren't as satisfying to me. I think that it's not the role of the United States Government to be financing specific projects which are government responsibilities - more setting the table or setting the context. That's where I'm coming from.

Therefore, in India, I thought, although it wasn't my major area of interest was in technology relationships, where I think we had some modest success in trying to get a tremendous investment which the Indians had in science, moved more consciously toward being concerned about the end product use of that. I would say the stuff we did with the health sector, of trying to get up above building health clinics and building specific activities, to trying to affect the context within which that happened. I guess I call that "sectoral programming." The Agency had other words for it. They were program loans in the old days. I think program loans, which dealt with macroeconomic things, were probably successful in some countries, may require even larger amounts of resources to be effective. The IMF has almost co-opted that as an area. The notion of sectoral programming around ideas like health, where you would try to get what I'd say the effective "spigot of the faucet," in different countries was probably the most successful stuff that I was associated with as I look back on it. I attribute that to Al and Princeton Lyman, who gave me the chance to work on sectoral programming. The whole notion of non-project lending (inaudible), but I think agricultural sector lending, health sector lending, population sector lending, (inaudible) the criteria is probably more useful than-

You've asked the question a couple of times about specific projects or programs or things that you're associated with and I haven't answered that question well in any kind of (inaudible), Haven, so I'm going to- I don't think the projects in the end are what I was interested in, or what really makes the difference. So, I think, while all the projects are individually sensible and made some sense, I think the notion that a project is going to change the world- To me, while we carry out our craft in project context - and, as I said earlier, I wonder sometimes about the whole context of the project and whether there isn't a different abstraction we could bring to bear, whether it's portfolios or themes or something- My memory of my career with AID, I don't think, is tied up with individual projects, even though I'm sure I could go through my resume and look at a set of projects which I thought were really important. That's what we accomplished perhaps. That's what

I happened to be fortunate enough to be associated with. But, as I look back over my career, I was associated with what happened in the Sahel, which in development was one of the big dramas of our time: what do you do with people in marginal lands who are going to be consistently - that was Ethiopia, the Sahel - at the mercy of non-productive agricultural land, where the educational systems and commercial systems aren't there. What do you do with those in those situations to give people a tolerable life expectancy or life expectation that is totally inconsistent with the geography in which they live? I think that the Sahel, Ethiopia, those kinds of circumstances were really important and interesting for me to be associated with.

Secondly, associated with a set of political circumstances where the same question arises, where the political circumstances was not going to give rise, whether that was the Southern Africa circumstance, which now looks promising, Afghanistan, which looks discouraging, Mozambique. That whole set of other issues that I had the opportunity to be associated with related to the Sahel and the political ones, it seems to me, equally related. How do you create life expectations or help to participate in defining life expectations in very difficult kinds of environments?

India just gives you a chance to be associated with a huge hunk of humanity organized around democratic premises, with 600 million poor people operating with one foot in the 20th century, with 200 million people operating at the same level of economy as the people in East Asia. 600 million people outside of it, where the 600 people are not forgotten. They're a fundamental part of the political process, almost to the detriment of the political process. But just having the opportunity to sit in that environment, which was the cradle of what we even mean by the word "development," where people first started thinking about it at the end of the 50s.

Egypt, the largest assistance program the United States Government had launched since the Marshall Plan, with modest success on changing the fundamentals of Egypt. But again a very well run program where I could find all kinds of projects which had success and were professionally managed and run by AID, some of which are going to be terribly important in an infrastructure kind of sense, but going to be (inaudible) to the kind of country it's going to be.

Currently, my engagement with an environmental issue, which has broadened out to a whole concern for is there a growth pattern which can be made more consistent with the environmental aspirations of the world and a whole set of new issues.

Finally, I think the food aid association was an interesting one. So, that's all from my own perspective. They were four or five really broad- Which I had the privilege to be associated with and to learn from. Now, the question really is whether I had enough to learn from, but whether the Agency had something to learn from that. The way we're organized right now, we're all bureaucrats. I think the decline of PPC is a tragedy. There's no central repository. And it's not the Global bureau because they're tied up with managing projects. Except maybe in population, I don't see any truly global kinds of ideas coming forth. But the Agency doesn't have a central think tank. I can't discern any

kind of organizing- It seems adrift from or even uninterested in the main currents of what's happening in the development world. What are the main themes? What are the main places? What are the main ideas? Because it's caught in a survival battle of trying to catch a project or a country or a smaller idea which might be appealing to someone on the Hill.

*Q: Let's pick up this point. Let's talk a bit about your views about the Agency over time. How would you characterize this organization that you've been associated with?*

CYLKE: When I joined the Agency, and I won't recall the names now, but Hollis Chenery, etc., the people who became the leaders of the development community at the World Bank and on the world stage, who shaped what we meant by the word development were within AID. AID was respected for that, was known for that, it did that. In today's world, anybody objectively looking at the Agency would say it's consumed with management. I don't want to comment on Larry Burn, who everyone wants to talk about, because I didn't know the man. I've never met him. I don't know anything about him. But I worked in an Agency which is consumed with management issues. I will say, the Asia bureau has just submitted a budget, which is submitted entirely in terms of its ability to manage the program with declining staff levels. There is no mention of a development theme in Asia, what development problems ought to be addressed, what the future of Asia is, what the important development themes are. There's no mention of it. It's entirely written in terms of its management structure. I think that is partly the inevitable gap of the Agency itself to preserve itself and it's where discussion of RIF put people's very jobs on the line and they become consumed with those issues. So I don't think it's just leadership. I think the entire Agency is consumed around a survival mode rather than development ideas.

*Q: Is it now a function of something larger in terms of the country leadership?*

CYLKE: Part of it has to be the at the end of the Cold War, the underlying premise of support for the Agency vanished. The Hill never supported us because they didn't care about poor people, even though there is a concern, I think, about emergencies around the world, or about development. So, I think the Agency's future is inevitably tied up with the State Department's ability to define a political premise for the engagement of the United States abroad, which it hasn't been able to do yet. I think you see signs of it with Christopher's interest even in the environment. I don't know where that came from, but he's really pushing toward, I think, a set of global themes. Can economic be it? A lot of people think it's the sales of goods and products. It can't be that. We can't even figure out what an American company is anymore. We've been trying to track sales to American companies and you can't define what an American company is. But it has something to do with the reconstruction of the world, not only the collapse of the Cold War, but the reconstruction of the world around a global kind of premise, with improvement in transportation, communications, technology systems, that there is an articulation of how the world is going to manage itself. We used to talk about interdependence. It's real now. And it touches right into the very political entity of the United States, the whole Buchanan's whole premise of "Let's be fearful of Mexico. Let's be fearful of what's

happening in Indonesia. These people taking our jobs." There is, it seems to me, a political development, economic kind of connection out there for someone to define. It may be looking for too much to expect the Agency to define that. It probably has to be done in context with the State Department, with the Congress. But, given that break in the historical consensus around which we supported development, I think there is a sense of ennui about what those things can be. As a result, the attention seems to be completely focused on management, counting countries, etc. I don't know of any development idea that is out on the table open for discussion. I'm going to push the one that I'm interested in, but I'm used as an example. We're not just talking about an environmental program in Asia. I give Mike Rock from the development studies program a lot of credit for this. What he's really been trying to push us toward is the sense that what are the major engines of development growth today? What are the prospects and what are the consequences of that for poverty, for wages, for the environment, etc., and an articulation that there may be a set of ideas out there which hold the promise of having as much impact on the development process as the green revolution did. Now, that ought to be seriously examined as to whether that prospect is really there. But we can't find anyone in the Agency who really wants to talk to us about those ideas. They want to talk to us about (inaudible) will result in so much in commercial sales or how much does your program really cost to run or would it be better run in the Global bureau over here. But about those other ideas, I don't know where one goes to have that conversation in the Agency today. I hate to say that, but I think- Or on the Hill or anywhere. I don't even know where in the development community. I don't know who the people in the universities are today who are interested or thinking of these issues.

Now it may be that development is a specialty field. As countries become more mature, there's an automaticicity to thinking about some of these issues in some of these other countries. It could be that, with the number of countries that have reached graduate status, that it's just not going to have that kind of premise anymore. If it is, it's going to be an intellectual premise rather than a funding premise and therefore to hope that that premise would exist in an agency whose last days may be rooted in still funding projects, that the intellectual heart is going to have to move to State or someplace else. But that's not a very promising prospect.

*Q: I think you've provided an excellent coverage. How have you found your experience working with the Agency over time?*

CYLKE: I've loved my experience with the Agency. We're all distinctive personalities in the Agency. Things that didn't work right for me in the Agency, I think, I'd have to be truthful and attribute it as much to my own failing as to the structure of the organization. There's all kinds of ways of succeeding in a bureaucracy, as anyone knows. I succeeded at one level and had a wonderful career. I have enormous affection for the Agency, like most people. I think you are disappointed by institutions in the end. Institutions aren't human beings.

*Q: What was the characteristic-*

CYLKE: (Inaudible) human beings. And when your retirement plaque comes in a brown envelope in the mail six months after you've retired, I think a little more graciousness in the Agency and attentiveness to this would get a greater response from the people who work there. I don't think there's much confidence in the people who work in the Agency. (Inaudible) institution returns much to its own.

*Q: In your earlier period, not in retirement, what was the characteristic about the Agency that attracted you?*

CYLKE: There's always the old days. There are people in the Agency today who will refer to today as the "old days" one day. But I thought that when I joined the Agency, and for some period into the future, there was a real commitment to the Agency and to organizations within the Agency. As I mentioned, the Capital Development office had a culture. There was a conscious mentoring, a conscious training. It wasn't always to the (inaudible), but we had loyalty to that entity and felt we were in rivalry- The only ones that can think like that, that the last ones remaining in the Agency (inaudible), the office of Housing, which is now gone. Some people would say for the better, but I think there was a nurturing that took place within that loyalty to an institutional goal. In addition, I think people do need institutional identification beyond themselves in the abstractions of development ideas. There was a role for institutional nurturing. I think the office of Population and health provides some of that. The Africa bureau may. I'm not near it. But I think a lot of the other bureaus have gotten so- The Latin America bureau, because it's lost almost all its countries, calls itself the "Latin America bureau." The Asia bureau from the Middle East to Philippines is too big an abstraction to get much loyalty around. I think that is a real- I guess that's what I mean by this retirement thing, that the notion of the Agency is something in addition to the ideas and in addition to your careers that you have loyalty to has lost a lot of the loyalty of the people. Not that attention hasn't been paid to it. I would go back to say that, in my career, I don't think the Agency itself ever understood well enough that USAID India wasn't just another field post. From Washington, it was another field post. In India, USAID India had no connection to what USAID Pakistan- It was a unique institution in that country, which had a unique role in that country over the years, unique characteristics. I've talked to enough directors in other countries and visited enough missions to see that same pattern play out. USAID Indonesia was not USAID India. It had a different character, a different history, a different tradition. Because of the local employees, a lot of the character stayed over generations of AID directors, in terms of its professionalism and stuff. I don't think the Agency, which was really a Washington-based political machine, ever had enough appreciation for the asset which they had their hands on overseas. All things have to come to an end. I don't know that you can keep USAID Indonesia going because it was once a great institution. But I don't know that in it's time the Agency ever fully appreciated-

*Q: What about that phenomenon, i.e. the concept of having overseas missions?*

CYLKE: I probably have a bad view on that. I think there are too many people in overseas missions who aren't engaged. I had a funny experience in India-

*Q: This is your recent view?*

CYLKE: No, even my old view. I liked overseas missions and all this business, but- The Dutch in India ran a program that was larger than ours with three people. People say, "Well, it wasn't as effective as our program because we had more people." I would say that, but I doubt that we were 300 times more effective, number one. Number two, there was an awful lot of work that went on in the mission which was really paperwork. We had a lot of Americans living overseas who really were not engaged with local people. They were (inaudible) with internal kinds of paperwork. That's a rather expensive operation to run when you're paying $8,000 a month for rent. So, I think the institutions were valuable.

I think, in today's cost world, one has to look at and relate it to a day when we did a lot more intensive interaction. I don't want to say the AID missions- I think they were terribly important in their time, but I think there are development programs that could be carried on with a much smaller staff today. I think the gap of the Asia bureau to say that it can't that you can't run the Indonesia program unless the staff level was maintained is counterintuitive with the fact that we're running programs in Eastern Europe and the Soviet Union with significantly smaller staffs and probably equally good programs. When the India program was started up again, for example, in a country with a program level 10 times that of the program level in Nepal, Nepal had more staff than we had. We rationalized it by saying, "Well, Nepal was further behind in development." It was really a historical phenomenon. They had the staff and no one wanted to engage in a cut. And India didn't. So I don't want to be overly critical of the missions, but I think it's gotten to be a bit of a (inaudible) within the (inaudible).

*Q: One area we didn't touch on very much is the other donors and the AID coordination phenomenon. Did you have much experience with that or feeling about other donors?*

CYLKE: Certainly in Egypt, we were so dominant that people came to us. But in India, we had a regular interaction with the donors. It was very active, both socially and intellectually around some common issues. Having said that, there was no way the Indians would allow the donors to gang up on them. Secondly, all donors are driven by their internal politics to a degree that was hard to understand. You could look at the Swedes and understand what was happening. It wasn't entirely clear with the Dutch, what their imperatives were, but it was pretty good interaction.

One last comment is that one of the reasons that industry isn't going to take place is that we believe in the marketplace. Therefore, the Bank is going to exit the industrial sector because of the sense that commercial money can meet that kind of need. You still need an organizational unit to generate ideas about industry. We have that same feeling, that this isn't an area that's deserving of assistance. Yet it's the lead sector in the economy. So, how do you organize development thought around problems if your budget isn't organized? Particularly if you're in the resource transfer business, you're going to organize your organization around where your budget gets expended. If your budget's going to get

expended on things like population, not around industry because you don't need to put money into it, it doesn't mean that that idea isn't important. So how do you get a development agency to put its mind around important themes when, in fact, it's putting its energy around where it spends money, which may or may not be a perfect coincidence. Then it begins to believe that that is the development paradigm and it's not.

Anyway, so much. I enjoyed the conversation.

*Q: Excellent. This has been a terrific interview.*

*End of interview*