

The Association for Diplomatic Studies and Training
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AARON WILLIAMS

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INTERVIEW

Q: So, thank you very much Aaron for participating in this program and maybe we can start out with where you were born, when you were born, some of your early childhood and background in education. Were there any unique things that helped push you in the direction of a career with USAID (United States Agency for International Development) on international development?

Childhood, Education, and Early Background

WILLIAMS: Well thanks Carol, I'm really delighted to participate in this project and contribute to the oral history of USAID officers. There's nothing in my initial background from the time I was born, and my early years, that would have led me to a career in the Foreign Service, absolutely zero. I was born in Chicago to a working-class

family, my mother was from Chicago and she had been a dietician, a secretary, managed a dry-cleaners, really regular working class jobs. She had graduated top of her class in high school but never had a chance to go to college. But she was a very smart, hard-working woman. My father was born in Mississippi and then he was drafted and went on to serve in the US Army during World War II (WWII). He served in the Pacific theater, and after he came back he obviously could no longer live in Mississippi, it was intolerable. So, like so many black people of that era he moved to Chicago where he met my mother. And so, I was born and raised on the South Side of Chicago. My father worked at the US Post Office, at the huge downtown main post office, and he worked there for almost 30 years. And he, you know, rose up the ranks to be a mid-level manager at the post office, eventually becoming a district superintendent. Therefore, we lived on the South Side in a working class neighborhood, a very ordinary life, for my parents and my sister and brother. And although my father had gone to college on the GI Bill when he got back from WWII, he found that studying and living in the South was unbearable, and so he never went back to college after a couple of years. Thus, I was the first person in my family to graduate from college.

Q: Did you go to public high school in South Side?

WILLIAMS: At first, I went to catholic schools. -- which is not unusual for the black community on the South Side of Chicago At that time, if a black family could afford it, they sent their children to catholic schools. So, the first few years, I was in a catholic school. Which, you know, provided me with a really great, great, education. As a matter of fact, I have an interesting story about the nuns at my school, St. Elizabeth. The sisters, I learned later on in life, were from Alsace- Lorraine along the German-French border. And so, this was the 1950s, and you'll remember that Sputnik was launched, and Americans became very, very concerned about the space race and competing with the Russians and how were we going to respond. So, President Eisenhower and the Congress passed a lot of legislation that emphasized what we now call STEM (science, technology, engineering and math) education and foreign languages, you remember that. And so, one day Sister Agnes walked in to our second or third grade class, I can't remember what it was, and she says -- we are now going to study languages in this school. And we are going to study German -- and we're like -- ok, whatever you say! Her order was supreme here, so we studied German. I continued to study German from the time I was in second grade all the way through college. I became very proficient in German and never went to Germany -- very handy -- until I became an adult (laughs)... all because Sister Agnes decided we were going to study German! At the same time, we also increased our math and science classes. Turns out that my catholic school education was really good because when I transferred to public school, I did very well. I was usually at the top of my class and I graduated from elementary school in six years and graduated from high school in three years. I then went on to graduate from college in three years. So, I went through really fast. My goal in college was to spend as little money as possible on tuition and quickly graduate. Further, I loved learning and in both elementary school and high school I went to summer school every year, and also worked at part time jobs all the way through.

Q: And where did you go to college?

WILLIAMS: Chicago State College, what was then named Chicago Teachers College. In Chicago.

Q: By the way, Carol, where did you grow up? All over, but California mostly.

WILLIAMS: Concerning my college, in most of the major cities in the U.S., LA (Los Angeles), Chicago, NY (New York), there was a city college that working-class kids could go to, due to the low tuition and flexible class scheduling. As a matter of fact, that's the type of college where Colin Powell, Jonas Salk, and Henry Kissinger studied, in NY, CCNY (City College of New York). Chicago State was a similar college. We were trained to set one on a track to become a school teacher in the Chicago public school system. As far as teacher training was concerned, at that time Chicago Teacher's College was considered the gold standard. If you graduated from CTC in those days, you automatically were considered to be a highly qualified candidate for a teaching position anywhere in the city of Chicago. I decided to study geography because there was a shortage of geography teachers at the time. So, lo and behold, all these countries and places that I studied about, I eventually visited or worked in during my Foreign Service career right.

Q: It set you on your way?

WILLIAMS: I guess in a way, but not directly. It was just a good job opportunity right, a good secure job. So, there I was, I started my teaching career.

Q: In the public schools in Chicago?

WILLIAMS: In the public schools in Chicago, I completed my student teaching, and started teaching. At about the same time I heard about the Peace Corps. And I thought that this was a fascinating idea. You can go and live in a foreign country, learn a foreign language under U.S. government auspices and it sounded like a worthwhile endeavor. I didn't know anybody that had been in the Peace Corps, but I did talk to a PC recruiter on campus. However, everyone that I knew thought this was a bad idea. After all, I was all set. I had graduated from college, first in my family. I could have settled down, got married, had a nice apartment, great job, I could aspire to be a high school principal in Chicago. I was a geography major, and I had my pick of any high school in Chicago. It was all set! Then, I surprised everyone by throwing this curveball and joining the Peace Corps. Only two people thought it was a good idea -- my mother for some unknown reason, she thought this was a really good idea. She had never travelled anywhere before, just a couple of states, never to a foreign country. She supported me, as did my best friend in high school, Harry Simmons. Harry who is an amazing educator, has had an outstanding career as a teacher, administrator, and school system executive. He has remained my confidant and sounding board throughout my career, and I am fortunate to have a person of such great integrity and wisdom in my life.

So, I truly needed their support because everyone else thought that this was a bad idea. The questions were: Why are you giving up a great job, where are you gonna go? Well, that decision transformed my life. That was the most important decision that I ever made in my life, becoming a Peace Corps Volunteer. It changed everything, and set me on a path to where I am today.

Q: And fortunately, your mother supported you on it. If she hadn't, it might not have happened.

WILLIAMS: That's right, and she subsequently went on to visit us in every foreign post that we served in during my USAID career. Pretty amazing.

Peace Corps Volunteer (Dominican Republic) and Staff (U.S.)

Q: Fantastic. So where did you end up going off to Peace Corps?

WILLIAMS: So, I wanted to go to Brazil, just like everybody else.... (laughs) everybody wanted to go to Brazil. I ended up going to the Dominican Republic (DR) in 1967, which turned out to be a wonderful place. And I would replicate this assignment all over again, if I had to do it again today, it was perfect. It turned out that they needed certified teachers to work at a teacher training program that was funded by the United States Agency for International Development (USAID) As a matter of fact, that program was one of USAID's great success stories in the Dominican Republic. AID was heavily involved in education in the Dominican Republic and as you know, the DR has enjoyed a long 60-year partnership with USAID. The program I worked in had the goal of providing high school degrees for rural schoolteachers. In the DR at that time, the average Dominican rural schoolteacher had probably a third-grade education; they were barely ahead of the kids they were teaching. AID funded a program that allowed the Dominican government to provide incentives for this special training program over a period of two years. The deal was that a teacher could obtain a high school degree, a salary increase, and receive the opportunity to bid on jobs in urban schools. However, the teachers had to sacrifice both their weekends during the fall semester, and their summer vacations to participate in this program. PCVs were assigned to teach at the several "Capacity Development Centers" around the country." We volunteers taught, in Spanish, all of the language arts, math, and science and physics to these teachers right. It was an amazing way to really develop your Spanish skills.

Q: Presumably, you had a little bit of Spanish training before starting this?

WILLIAMS: We had, but I mean, I gotta tell you -- I had the worst Spanish score of anybody in my group when I arrived in the Dominican Republic, without a doubt. And of course, my German did not help me (laughs). We trained at San Diego State College, because in those days, Peace Corps volunteers trained in American Universities. I was truly fortunate to be with a wonderful group of 100 trainees. About 60% went to Honduras, 20% went to El Salvador and 20% went to the Dominican Republic.

Q: And what year would this had been?

WILLIAMS: 1967.

And so luckily for me, I was a trained teacher. I had experience teaching, and the courses themselves were not a problem... but the Spanish was. I was assigned to a small town with a population of around 2,000 people. I was pretty much isolated because we all worked independently; each volunteer was assigned 30 teachers that they supervised the entire year. The process was that you taught these teachers the basic courses and then you monitored them in their sites, as kind of a circuit-rider, either by horseback or motorcycle or hiking. My normal routine was to spend a week with them to see if they were applying the lessons that we taught. It was a very intense type of relationship, and I clearly came to appreciate that this was tremendous, personal sacrifice for these poorly paid rural schoolteachers. And you know, we became great friends, and they would give you the food off their table to eat when you were there. I slept in their houses, played with their children, learned about their hamlets, etc....it was an amazing experience. There were 10 teacher training centers in the Dominican Republic, all manned by Peace Corp volunteers and Dominican counterparts. Further, some of the people that I served with in that town remain to this day my good friends. God, what's it been-- 40 years later? It was a wonderful experience, and I became very resilient, like you know, most Peace Corps volunteers. If you were successful you had to become resilient. You had to be confident, one learned to speak the language fluently, which I did. I became very fluent in Spanish, and I was very proud that when I left the DR, I tested out the highest of anybody in my group, in Spanish.

Q: From the lowest to highest.

WILLIAMS: Lowest to the highest, which is one of my great achievements in life without a doubt!

Q: Sister Agnes would be happy.

WILLIAMS: She would be happy. But a lot of that -- I have to give credit to my dear wife Rosa. I wasn't just on my own right, I met her in my second year, and at the time she did not speak much English. I met her because we were trying to recruit her for one of the teaching counterpart jobs. However, as you might recall, this period of time followed the U.S. invasion of the Dominican Republic. This occupation by the US military effectively ended what was seen to be a democratic revolution, and this fostered a lot of anti-Americanism during that period of time. But interestingly enough, not towards the Peace Corps. Why you might ask? Well, because during the revolution some PCVs had crossed rebel lines to help the rebels injured and wounded, including some Peace Corps nurses. To further exacerbate the situation, some PCVs had condemned the invasion in the US and local press. Volunteers, at great personal risk had challenged the Johnson administration. Also, there is a great story about how the famous leaders, Frank Mankiewicz and Jack Vaughn, were sent down to suppress this uprising among the PCVs in the Dominican Republic.

Q: Was Mankiewicz the head of Peace Corps at that point?

WILLIAMS: He was the head of Latin America, and then Jack Vaughn replaced him. So, they were sent down to you know, stop this rebellion of Peace Corps volunteers.

Q: Was Ron Morgan there, did, does that name ring a bell?

WILLIAMS: No, it may be before my time frame.

And so, Peace Corps volunteers were seen as the “good gringos.” And those of us who were there a couple of years later benefitted greatly from that reputation and legend! So, when I met Rosa for the first time -- I tried to convince her to work for the Peace Corps, but she wasn't having anything to do with Peace Corps or America or anything else. She said: “No. You people invaded my country, and you helped support a new dictator” No.”

So, I had to pursue another line of action that had nothing to do with her job, (laughs) which led to me marrying her. So here you go, 40 years later -- 47 years later. Anyway, she didn't speak English when I met her, and so therefore we conversed in Spanish and so that obviously led to great improvement in my Spanish. So, then Carol -- after two years of that wonderful job, I had learned a lot about the Dominican education system, top to bottom. I knew a lot of the ministry of education officials and had deep knowledge of the national K-12 school system. Interestingly, USAID in the early '60s, following the revolution and the U.S. intervention, had formed a partnership with a number of leading progressive Dominican businessmen. This group wanted to improve the lives of the people in the DR, and they proceeded to create key social organizations that could effectuate positive change in the Dominican Republic by funding different social programs. One of the first initiatives of this group was to create a brand-new university, which was modeled on the same type of liberal arts university we're familiar with in the U.S. It was a catholic university, - the Madre y Maestra, that was the recipient of a substantial amount of AID funding.

Q: This would have been in 1969?

WILLIAMS: No, the university was created in the period of 1962-69. . St. Louis University (SLU), a Jesuit university, was the prime contractor. One of the principal projects led by the university to send Dominican professors to the U.S. to obtain their PhD's. It was conducted via a partnership with the Latin American Scholarship Program at American Universities (LASPAU). You might remember that it was a big program in those days, in affiliation with Harvard. However, the major challenge was to provide instructors to cover for the professors who were going to the USA. So, the University asked four or five Peace Corps volunteers if they would be willing to come and teach at the university to cover for these professors. Fortunately, by that time I was fluent in Spanish, and I knew the Dominican education system very well. Peace Corps asked me to stay on for a third year to take a job teaching at college of education at Madre y Maestra. I went to the second largest city, Santiago, and had an interview with the Dean of the

College of Education. He was a dynamic leader, and a Jesuit priest named Felipe Arroyo. Interestingly, Felipe Arroyo had been the Head Master of the high school that Fidel Castro had attended in Cuba. It was the beginning of a wonderful relationship and a terrific professional opportunity for me. He was one of the last Jesuits that was forced out of Cuba, because he had some degree of protection due to his relationship with Fidel. But he would refuse to bend to the communist regime, and soon he had to leave.

The Universidad Catolica Madre y Maestra (UCMM), received substantial AID funding to support this program. In my case, the woman I replaced was studying for her PhD in primary education at University of Georgia under a LASPAU-USAID funded scholarship. . And Well, Cuba's great loss was the Dominican Republic's great gain. Because Father Arroyo went to the DR and he was the one who built a relationship with St. Louis University. Due to his efforts, we had thirty, forty scholarships every year to go to the United States through this program. Then, four of us were selected to replace these teachers, clearly an extraordinary opportunity. I mean, where else could someone with a bachelor's degree end up teaching at the university level at this incredible private university. I mean, it was just one of these things where, you know, it was a great, great serendipitous situation. I recall to this day the interview with Father Arroyo. He saw that I was fluent in Spanish, and that was a great relief to him because he wanted to be sure that I could teach at the university level. We discussed philosophy and education and everything in between, and he agreed I could come and teach in his Department! And boy, what a mentor, what an incredible man to work with and what a brilliant, brilliant person. I was very fortunate to be able to work with him that year. That experience also invigorated my Spanish; I used more and more sophisticated vocabulary & expressions, and took my language to a different level. So, I went from teaching a rural school teachers to now teaching seniors in their fourth year at this prestigious private college in the second largest city of the Dominican Republic.

Q: Would Father Arroyo have been part of the liberation theology movement in Latin America?

WILLIAMS: No, not at all (laughs) because of his experience in Cuba, he was not part of the liberation theology. He had a different view of that.

Q: He had a different view, OK.

WILLIAMS: But he wasn't political, his focus was on capacity development right. His goal was to develop the best teaching faculty in the Americas. Because, as you know, in Latin America in those days, most college professors were part time. Doctors, lawyers, nurses, engineers, all only taught part time at the universities. Further, the typical professor wasn't well paid. The Madre y Maestra model – the same model that St. Louis University and AID fostered – was to have well paid, permanent jobs and provide one the opportunity to pursue an advanced degree and create a real professor -- a real faculty in the true American liberal arts sense, and they accomplished this. Today, the UCMM is regarded as one of the most prestigious universities in both the DR and all of Latin America. Further, Carol, it turns out that in terms of the future leadership of the

Dominican Republic, they were either educated there or were on the faculty at the UCMM. Many of the leaders in that nation, across all sectors, for the last three generations, are my friends and former colleagues from those years. This would include, a former President of the DR, the President of the UCMM, Monsignor Nunez, several former cabinet ministers, and prominent business leaders.

Q: So, did you say that USAID also provided support in the early days?

WILLIAMS: This was a USAID funded project, along with the partnership with this progressive group of Dominican business people.

Q: So, it's an example of a USAID project developing not only sustainable institution but a sustainable partnership with the U.S. as well?

WILLIAMS: Yes, it's one of USAID's greatest success stories, the Catholic University of the Dominican Republic. Also, the Financiera Dominicana (Dominican Financial) was funded at the same time, part of AID's regional strategy to create private finance banks all over Latin America, another one of our great success stories. Also, one must include the Agricultural school in the DR,, Instituto Superior Agricola (ISA), (Higher Institute of Agriculture). Each of these institutions was created in partnership with this group of progressive business people at this critical juncture in Dominican history. Pretty amazing times.

Q: So, you had a...

WILLIAMS: Front row seat.

Q: So, you had an indirect positive exposure to USAID?

WILLIAMS: Yes, very much so and as a matter of fact, AID paid my salary supplement so I could dress decently and have a motorcycle (laughs) at the university (laughs).

Q: That's a positive for sure

WILLIAMS: (laughs)

Yes, but one of the requirements of this new assignment, was that my wife had to have an independent sources of income. This was Peace Corps' policy in those days. Therefore, Rosa not only had to have a security clearance by the U.S. embassy, but she also had to have a job before I could marry her. She was then teaching in the town where we met, and we now had to move to a different city and find her a job. –Thankfully, Father Arroyo through his connections arranged for her to teach at one the leading high schools there in Santiago. So, it all worked out.

Q: Good, good (laughs), you owe him a lot.

WILLIAMS: That's right, a lot (laughs)

Yeah.

Q: So how long did you do that for? Was that for a year?

WILLIAMS: One year

Q: One year?

WILLIAMS: Yeah. So now I'm facing my return home to the US.

Q: Is this 1970?

WILLIAMS: This is 1970. And I needed to decide what my next step would be in terms of a job and career. So obviously, I can still go back to Chicago. I still have my teaching credentials, and they still had a shortage of geography teachers. However, my PCV experience had transformed my view of the world, and I had been exposed to a totally different group of people. Also, I decided I was going to change my career trajectory get an MBA (Master in Business Administration). That, in my mind, would allow me to work in government or in business in the future. And, this turned out to be the right course of action for me. It was exactly the right thing to do. However, before I could do that, I figured I needed to identify funding for my graduate studies. So, I needed a fellowship or scholarship or something like that. We returned to the US, and now I don't have a job, now I'm married, and neither one of us has a job. Rosa is in the process of learning English, and we first travel to Washington, DC. Fortunately, as I was leaving the DR, in my PC exit interview, people said, you should stop by Peace Corps headquarters and they might have some jobs. So, I went to Washington DC for the first time in my life. I arrived in Washington on a Monday and I go to Peace Corps headquarters. At the time Joe Blatchford was the director of the Peace Corps, during the Nixon administration. So, it was a Republican Administration. Blatchford was the director of the Peace Corps, and I went to see this guy named Bill English who had been a senior executive at Irving Trust, then one of the major banks in New York City. He was the director of PC recruitment. He asked me if I would like to be a PC recruiter? I immediately responded yes, that sounds like it would be interesting. He then said, you should decide where you want to work in the U.S. What city? I said, I think I want to work in Chicago. He says, ok, so you go to Chicago and you meet with this guy who's the head of the regional office there and uh, we'll see what we can do. Also, it was fortuitous that my former PC Director in the DR was Tom Gittens, and he was now working at PC HQ and he vouched for me, gave me a letter of recommendation. Tom and I remain great friends, you probably know him -- he ran Sister Cities, International for a long time. In conclusion, I arrived in DC on Monday and by Wednesday I had a job.

Q: It was a lot different in 1970s than it is today

WILLIAMS: (laughs)

Let me tell you. I mean, I had three interviews and I had a job. A new office was being formed, aimed at increasing the number of minority PCVs in the Peace Corps, consistent with the philosophy of the great Sargent Shriver, that the PC “should reflect America”. For example, in my group of 100 trainees at San Diego State, I was the only black person. The other 2 minorities were Puerto Rican and a Japanese American. Those were the three minorities. So this new initiative was created to increase diversity in the PC. This is still a challenge in the 21st century! And so, they sent me to Chicago and asked me to be the coordinator in Chicago for minority recruitment. The challenge in this new position is that I would have to cover the entire Midwest region: from Pennsylvania, to Nebraska, from Minnesota to Missouri (laughs). So, I said well, fine, no problem I can do that. PC formed a group of 10 minority coordinators across the USA, based in all of the major cities. We reported to another guy who you know -- Leonard Robinson. He was our boss, and a rarity those days, because Lenny was a black republican (laughs).

Q: Yes, I remember.

WILLIAMS: (Laughs)

He served admirably in many GOP administrations after that. He was a great boss, really great to work for. He gave us a lot of freedom. It was one of the best jobs I've ever had in my life....being a Peace Corps recruiter, covering the entire Midwest. Thanks to this job, I visited just about every major university in the region. I developed excellent working relationships with the faculty, the admissions office staff, people, and had the opportunity to receive offers of three or four fellowships. So, I decided to take the one from University of Wisconsin (Madison), that's how I ended up in Madison for my MBA.

Post-Peace Corps – MBA and Private Sector Employment

Q: When you went to Madison, did you still have a job with Peace Corps?

WILLIAMS: Well, I did, but not at first when I arrived in Madison. I went there on a Fellowship. But when we arrived there, it was apparent that we needed more income, a fellowship was not going to be enough. So I had to get a part-time job, I ended up with actually three jobs...ha, ha, ha! I taught introductory Spanish courses in the college of arts and sciences; Spanish for Travelers in the university extension program; and I was a research fellow in the Department of Tourism and Development for the state of Wisconsin. I had three jobs and three offices, and it was a great gig. Then Rosa also was fortunate to find a job. She was, before we got married, a 3rd year medical student in the Dominican Republic, but during the revolution, her father, a former government official had lost position, property and personal wealth. He had been the superintendent for public works for the northern region of the Dominican Republic, but all was lost due to the revolution, so Rosa left medical school to take care of her family of 12 brothers and sisters. She was the oldest and sole breadwinner. Upon our arrival in the US, she decided to become a medical technologist. And even though her English was still at the basic level, her experience allowed her to secure a research assistantship at the University of

Wisconsin Hospital, which was terrific. And as a matter of fact, the team that she worked with (2 years after we left Madison) won a Nobel Prize for kidney research. It was an incredible team. She started out in the lab doing animal surgery, and then moved up to human lab testing after a year or so after a couple of years there. Without a doubt, we had a wonderful experience at the University of Wisconsin.

Q: And what years were these that you were in Madison?

WILLIAMS: 71-73

Q: So, you did the Peace Corps recruitment for about a year and then went to graduate school.

WILLIAMS: So, at first, I had my 3 university jobs, but then Peace Corps asked me to be an on-campus recruiter for them, and thus I picked up my fourth job and a fourth office. I job shared the recruiter job with another returned Peace Corps volunteer. She had served in Mali actually. So, we were the on-campus representatives of the Peace Corps, that plus I carried the usual academic load of 16 credit hours a semester.

Q: Well, that got you ready for the rest of your career.

WILLIAMS: That's right. It did. It was pretty frenetic (laughs) but again, the other thing about University of Wisconsin was that it was a wonderful time to be there, and I met a lot of people that I ended up working with during my foreign service career. Most of my friends were studying either at the Center for International Development or at the Land Tenure Center, both hotbeds of progressive thinking and activist professors. Given that I was studying business, we often didn't see eye-to-eye on a lot of things, but we all had been PCVs, and there was great friendship and rapport. And ... we remain friends to this day, right? It was a great time to be on campus. Madison and the University was a very progressive, very liberal environment, many folks were active in the anti-Vietnam war, the women's movement, and the civil rights movement. It was the perfect place for Rosa and me. Those were great days -- great times, even though as you know, graduate school is not easy, but it all worked out. I got my MBA.

Q: So, you got your MBA then in 73?

WILLIAMS: 73. So now, what to do?

Q: You're job-hunting again?

WILLIAMS: So, I thought hard about going to law school, but I didn't want to stay in school any longer, I had to get out and earn a living. However, Rosa's department wanted her to stay on and be part of the Nobel Prize (my thinking in retrospect)

Q: But you deprived her of that

WILLIAMS: I said -- oh, no! I don't want you to be part of that group (laughs). If I could have seen clearly the future, I would have stayed here and delivered newspapers while you stayed on this Nobel Prize dream team (laughs).

I was like -- -no, no, we're going to go off and forge our own future (laughs), the hell with the Nobel Prize! Right?

Q: I'm sure she's forgiven you

WILLIAMS: Oh, yeah...right ha-ha we still laugh about this phase of our life.

Now, I'm faced with the challenge of looking for a job. And so, I thought, my foreign affairs adventures had come to an end. I'm going to stay in the United States, get a job, work in a large corporation, and that led to my career with a couple of Fortune 500 corporations, including General Mills.

Q: And where was this based?

WILLIAMS: In Minneapolis, their headquarters. General Mills is the company of the well-known brands such as Wheaties, Cheerios, Betty Crocker layer cakes, Hamburger Helper, etc. It was an amazing place to work, and more importantly to learn about big league, high profile marketing. Also, in those days, Mills owned Red Lobster restaurants, Gorton Fish Products, Foot Joy golf shoes, Parker Bros. games & toys. Such a wide range of product categories was fairly commonplace in that era, the era of conglomerates. Product diversity was seen as a key strategy for increased revenue and profitability by a wider ranging number of corporations. Further, this was an exciting workplace and terrific training grounds for young managers. It was very demanding, and quite military like in terms of the hierarchy.

Q: And what were your responsibilities? You were in....

WILLIAMS: I was an assistant brand manager. I worked on potato products, instant mashed potatoes. I'm an expert Carol, on instant mashed potatoes to this very day. I can detect by taste fresh versus instant mashed potatoes... instantly. And I worked on all types of potato products, including stuff like au gratin, scalloped potatoes.

Q: OK, you were on the potato side.

WILLIAMS: I learned everything about Idaho potatoes: covering all aspects of the food chain from the farm to the Betty Crocker kitchens, to product production, and marketing to the consumer.

Q: Value chains.

WILLIAMS: Value chain, that's right. I also worked on new product development. I was on one of the first teams that created healthy meat substitutes (for beef & chicken), using

soy protein. We formulated imitation ham and chicken that tasted just like the real thing. However, as you can now readily see, the American consumer did not buy into the concept of imitation meat, and that market never become more than a specialized food sector. I was also part of a team that challenged the potato chip business, of the giant Proctor & Gamble, another interesting business strategy, and it gave me, a young guy, a freshly minted MBA, a birds eye view of big business. I thoroughly enjoyed the competitive environment, the daily challenges and the chance to learn about business systems and operations. In addition, Rosa got a great job. She worked for one of the first HMOs in the United States, a major HMO in the Minneapolis. So, life was good, and we bought a house. I received a couple of promotions, and began to look for my next big move. Eventually, I received a great offer, a marketing director job at Frito Lay in Dallas, Texas. Frito Lay, then and now, was one of the most successful marketing companies in America. This led to the company being acquired by PepsiCo, and a few years in the future, the FL executive team became the sole leadership team for PepsiCo.

Q: Ok, so this was not part of General Mills?

WILLIAMS: No, this was a different company.

Q: Different company. OK.

WILLIAMS: I was facing a major decision point, either stay at General Mills or take the FL offer. If I had gone to Frito Lay, I would have probably become a part of the Pepsi Cola leadership team in New York City...moved to New York all that. A good friend of mine at General Mills, made this move, and ended up as one of the top 3 executives at Pepsi. So, yeah...there was that path, but I didn't take it (laughs) and who knows, that if I had, then I would be a lot wealthier by now!. You know, maybe that was a mistake! (laughs).

Q: I think you did okay.

USAID/Honduras, Consultant to Direct Hire (1976 – 1979)

WILLIAMS: That's right. So anyway, at around the same time I got this amazing call from USAID in Honduras.

Q: They called you?

WILLIAMS: Yeah, Tony Cauterucci called me from the USAID Mission in Tegucigalpa.

Q: Did you know Tony?

WILLIAMS: No.

Q: How did they find you?

WILLIAMS: They heard about me through Peace Corps channels. I'm certain that my former PC program manager, Henry Reynolds, told them that I might be interested in working at USAID.

Q: And Henry you knew from.... where?

WILLIAMS: from the Dominican Republic

Q: Had he been a Peace Corps volunteer?

WILLIAMS: No, he was Peace Corps staff.

Q: He was Peace Corps staff....ok. I didn't realize that.

WILLIAMS: Tony called me and said -- "I heard you have experience in the food industry, and we need a person with business management experience to assist us in the design and implementation of a new agri-business project. The Deputy Director of the USAID Mission, Marty Dagata wants to include an experienced businessperson working on this project.

Q: And what was Tony's position?

WILLIAMS: He was head of the multi-sector office.

Q: Multi-sector office.

WILLIAMS: the Multi-sector office in USAID/Honduras. Fortunately for me, this was the era when the USAID Mission in Tegucigalpa was an outstanding place to work; it had a great reputation, was loaded with talented officers, and had dynamic leadership.

Q: And this would have been.....1975 or so?

WILLIAMS: 1976. Frank Kimball was the mission director, Marty Dagata was the deputy director, John Lovaas was the program officer, Ken Scofield was the IDI deputy program officer. Jim Bleidner was the head of the agriculture office. I can't remember the other senior officers, but it was a highly regarded Mission, and all of the above officers went on to have outstanding careers at USAID.

Q: 1976.

WILLIAMS: So, as I recall I had this interesting conversation with Tony Cauterucci one cold winter day in Minnesota. And I thought -- wow, AID, Honduras. This is an idea that deserves serious consideration. I called Rosa and she says -- "let's leave this frigid tundra and move back to Latin America." I agreed that we should pursue this offer. So, I asked General Mills for a leave of absence to take on this government assignment in Honduras.

General Mills was a very civic-minded corporation in those days, and many executives had been involved in local or national public service. I was not a senior executive, so it was very easy to secure such an arrangement. Thus we moved to Honduras on a short-term assignment, to work on this new USAID agri-business project .

Q: So, you went as a contractor but it was a short-term contract?

WILLIAMS: Short-term contract. We arrived in Honduras and immediately both of us were very pleased to be back in Latin America. I enjoyed working for AID in Honduras, and Rosa loved living in Honduras. At General Mills I had been surrounded by really smart, demanding people, all engaged in the pursuit of our business goals in terms of sales, profits and market share. I found equally smart, driven executives at USAID/Honduras, and it was a great place to start my international development career. The new job gave me the opportunity to use my Spanish again, as I worked with farmers in the central valley of Honduras, and with the Honduran Ministry of Commerce officials. I respected and admired my new USAID colleagues, and I had an outstanding boss, Tony Cauterucci, who became my mentor and lifelong friend. He also had a very experienced deputy, Dick Apodaca, who also was a savvy senior manager and great source of support. It was the perfect place for my transition to the Foreign Service.

Q: So, you went down to design the program?

WILLIAMS: Yes, to design and ideally implement the new program.

Q: And that was the short-term aspect of it.

WILLIAMS: Yes, and I learned that I was one of four other young professionals, all hired to carry out similar assignments on other projects. We were fortunate to not only become great colleagues, but also lifelong friends, as our wives and we bonded in Tegucigalpa. I'm referring to my dear friends, Paul & Doris Hartenberger, John & Elaine Kelly, and Rob & Juanita Thurston. We also shared a common bond and experience with the Thurstons and the Hartenbergers, we all were returned Peace Corps Volunteers (RPCVs).

Q: You all ended up as USAID Officers?

WILLIAMS: That's right, we all were there together, on short-term assignments. Newly married, most of us didn't have children yet. And it was a great time to be in Honduras, clearly the perfect place to land in the AID world. Frank Kimball left to take over the Bolivia Mission, and Jack Robinson, one of the most powerful and respected Mission Directors in the Latin America bureau, replaced him. Over the next several months, I worked on the design of the agri-business project. The context of the project was fairly complex. The government of Honduras (GoH), as you might recall, was carrying out a national land reform program. The GoH had taken over some of the large estates in the Central Valley of Comayagua for the purpose of turning over this land to local peasant farmers (largely tenants) and squatters from the local towns. So, we had an amalgam of

some farmers, some former city-dwellers, who weren't really farmers, all who desired land. It was an uncertain situation, and we had to work with multiple government agencies with overlapping responsibilities, including the national office of agrarian reform, the minister of agriculture, etc. The minister of agriculture, Rafael Leonardo Callejas, was highly regarded by the United States embassy leadership. Clearly they saw him as a leading potential candidate to run for the Presidency of the nation, and in fact he subsequently won that office.

Q: Was USAID involved with the land reform, the agrarian reform program?

WILLIAMS: Yes, USAID provided significant resources to the program.

Q: Was the Land Tenure Center at the University of Wisconsin involved?

WILLIAMS: as I recall, I'm sure there were experts involved from the Land Tenure Center. I'm certain that the Mission called on the LTC's expertise. I believe there was a contract with the University of Wisconsin. Also, ACDI/VOCA (Agricultural Cooperative Development International and Volunteers in Overseas Cooperative Assistance) along with CLUSA (the Cooperative League of the USA) were managing projects in Honduras.

My assignment encompassed the design of a project that would benefit the new land reform farmers by creating an export crop agribusiness in the Comayagua valley. The vision was to integrate the production, packing/shipping and ultimately the marketing/sales of fresh fruits and vegetables for the US market. It quickly became evident to me that this was going to be a very challenging project due to several key factors, including: the lack of farmer experience with new crops, the complex post-harvest processing/shipment of fresh produce, the marketing challenges of penetrating a new and sophisticated market, etc. My initial review of the situation caused me to focus immediately on the availability of refrigerated trailers and market channels for the produce. It became clear to me that the only reliable sources of technical expertise, refrigerator trailers, and market access were the two US banana companies that had operated and controlled the banana industry in Honduras for more than 100 years. I advised the Mission leadership that we had to utilize, in some form of partnership the two banana companies. However, the political situation in Honduras was very complicated related to these companies – United Brands (now Chiquita Brands) and Castle & Cooke (now Dole Food Company). The simple truth was that the banana companies, especially United Brands were in disfavor. A bit of background is needed here to provide the context.

Source: New York Times

In 1975, the Securities and Exchange Commission uncovered a \$2.5 million bribe that United's Chairman & CEO, Eli Black offered to Honduran president Oswaldo López Arellano in order to obtain a reduction of taxes on banana exports. A few weeks before the scandal broke, on February 3, 1975, Black went to his office on the forty-fourth floor of the Pan Am Building in Manhattan, and jumped to his death.

This new project was being launched a year after the scandal, and thus the US Embassy and USAID leadership were reluctant to approach the banana companies regarding any assistance or partnership.

I of course understood the situation, but also realized that these companies had key assets that we needed for the success of this new project. So, I proposed to the USAID leadership and my boss, Tony Cauterucci for their approval to discuss a partnership with the banana companies. I was impressed by their willingness to take this risk given the political situation. Also, it's important to note that in addition to the superb management oversight of Tony Cauterucci, I also received substantial assistance in my design work from two terrific colleagues, Ken Schofield, the Deputy Program Officer and Henry Reynolds, my friend and multi-sector office colleague. Their experience in writing other USAID project papers was invaluable to me during the design phase of the project.

Henry was an important mentor to me, and he had been my boss during my Peace Corps service in the Dominican Republic. He was an amazing manager, with a superb leadership style, and he continued on to have an outstanding career as one of USAID's most widely admired and respected Education & Training officers and senior mission officer in several missions in the Africa and Latin America & the Caribbean regions.

Well, as I anticipated, it turned out this was the perfect time to talk to the banana companies. They were more than willing to entertain some type of assistance or partnership that would lead to an improved image for them and contribute to the development of Honduras.

Further, given that we were going to farm new crops, it would not interfere with their banana business. My first target was United Brands, and although they weren't involved in land reform, they had recently started a crop diversification program. Their pilot program was focused on melons and pineapples. As you would expect, their in-country technical expertise, at their headquarters in San Pedro Sula, was quite impressive, including 20-30 PhDs covering every aspect of agronomic sciences. I led a team to meet with United at their offices, and found that we had common ground regarding the business and technical aspects of the proposed project. I found kindred spirits with their senior management, as I was obviously eager to cut a deal, and they saw the advantages of working with USAID and the GoH. There were a lot of young MBAs at that time working at United, and they wanted to do something new and innovative. As a result of our discussions, we reached an agreement on a technical assistance contract that provide the services of ten of their top PhD's to work on diversification on behalf of the project.

Q: To work on implementation?

WILLIAMS: On design and implementation. Further, they also guaranteed refrigerated shipment to the United States of our produce. At a fair price.

Q: At a fair price.

WILLIAMS: yes, but in reality most of this technical assistance was provided on a pro bono basis, and as in-kind contributions. They didn't ask for a lot, they weren't interested in the money. They were interested in the public relations side of this, and the obvious value of contributing to the improvement of Honduran agriculture

Following this successful negotiation with United Brands, a couple of years later I created another partnership with Castle & Cooke to assist in a new agricultural research project in another region of Honduras. So clearly the template or model that we first created with United, provided valuable experience, and a window for future projects in Honduras.

Q: Right. And USAID talks, or the governments talks now, about private-public partnerships, this was....

WILLIAMS: The beginning of this new wave of PPPs by USAID in Central America.

Q: And an early example of that, where you worked in tandem with the private sector.

WILLIAMS: That's right, because clearly we couldn't have launched this project, or had the success we achieved without this crucial assistance. United provided agronomists, post-harvest specialists, etymologists, refrigeration experts, and agricultural economists. They had every type of expertise you could imagine for farming export quality produce for the sophisticated US market. They knew how to produce, ship and market bananas in difficult tropical climates. After all, the company's ships travel daily to Miami and New Orleans delivering this time sensitive and low margin product.

At the same time it's important to point out that this was a 3 way, and complicated negotiation, with the company, because the Hondurans weren't at first very eager to jump into bed with banana companies, given the strong public sentiment against United. Fortunately Minister Callejas, received his graduate education in the US., and he saw this idea as both practical and a useful policy initiative. He assigned some very smart young Honduran agronomists and MBAs to work with me. Later in their careers these men became government leaders for decades. We also formed an alliance with Zamorano Pan-American Agricultural School, generally known as El Zamorano or Zamorano. It had a great reputation for training outstanding agronomists, and the school had a partnership with United to produce melons in the Choluteca region. This gave us the opportunity to work with this diversification project, gain insights into another parallel export agribusiness pilot project. We learned a lot from those operations, and it was a great partnership. In my view, USAID deserve a lot of credit, thanks to their dynamic leadership that gave me the latitude and support to cut the deals and make this work.

Q: Do you remember, just curious about the mechanics of what a final project agreement, what kind of instruments were involved? Was some of the project agreement with the government and the Ministry of Agriculture in covering some of those costs? Was there a technical assistance contract or anything with it?

WILLIAMS: Well, let's see... So, the components of the project were uh -- -um

Q: Was there a credit component as well?

WILLIAMS: Uh, no, no. Credit was available through the national credit bank for the land reform. So, and of course, there were associated problems with that naturally. But so, we had uh -- we had, we had research, marketing, and extension services as part of the project. It was an agri-business development project we put together in Honduras. And then, you know, I went up to Washington and I was part of the team that presented the project paper to you know, the wizards in Washington. (laughs)

Q: I'm sure that the Central American finance division in the Latin American Bureau did an excellent job reviewing it.

WILLIAMS: They did, I'm trying to remember -- I believe that Marshall "Buster" Brown chaired that meeting. At that time I met various senior officers in AID/Washington in the LAC Bureau. That would include, Buster, Dwight Johnson, and many others.

Q: I bet, Eric Zalman was the one grilling you?

WILLIAMS: He was, he prepared the issues paper. I distinctively remember that (ha-ha) because that was my first time dealing with an issues paper. I was trying to understand the process and identify the key "deciders" in the process. I learned that Eric was the point man, the guy who was going to help you sell the case. But it seemed to me that my advocate, Eric was instead raising problems. (laughs)! As I sat in his office along the blue corridor in the State Department (during that period of time USAID's offices were located in the State Department building), I got a bird's eye view of the process and ins & outs of project review management! However, I was not on a solo mission, because I recall that I was working under Tony's superb mentorship throughout the AID/Washington trip.

Q: Yeah, probably was.

WILLIAMS: the good news was that the DAEC (Development Assistance Executive Committee) approved the project! My first USAID victory!

Q: Yes, just for the record, in those days, the projects all had to be approved in Washington. They went through this process which, I think, helped to raise issues that might have helped the actual design of the project?

WILLIAMS: In retrospect, Carol, I think the Latin America Bureau's process was very helpful. And it also reminded me of the process utilized in a private company as part of the analysis used to consider a new investment. I didn't find it to be onerous at all. I know that historically, a lot of officers complained about it. I thought from a business perspective that it was the right way to go. An experienced group of senior executives

reviewing a project designed by the field offices, and then running it through the LAC Bureau lens usually is precisely the level of discipline that is needed. And, also, given the Bureau's collective knowledge of the rest of the region's portfolio, they can bring to bear that useful perspective and experience.

Q: And the other benefit was that it was also a great training mechanism for people in Washington before they went out to the field.

WILLIAMS: That's right.

Q: Because you learn a lot by having to write those issues papers.

WILLIAMS: No doubt about it. I think the Latin America system was fantastic for developing junior officers, and also produced a cadre of people who are colleagues and had common knowledge. And also, what I liked about the Latin America bureau was that it was very predictable. You knew how your career was progressing by the position that you were selected to fill. You know that as well as I do. So, if you were tapped for a certain high profile job, you're on your way.

Q: It was a very carefully, managed system.

WILLIAMS: Very you know, very much like the private sector, like General Mills. If you were promoted from working on specialty potatoes to Cheerios, you knew that senior management thought highly of you. Cheerios was the number one profit maker in the company. So, in Latin America, if you were promoted to be the head of the Central America finance office, you knew they highly regarded, because that was where the action was, in those days. Where were you then? At that point?

Q: Well, I came in to LAC/DR (Latin America and Caribbean Bureau, Office of Development Resources), Central American Finance, in 1977.

WILLIAMS: So, were you head of finance then?

Q: I was acting head of Central America Finance in 1977 for a while, and then I became ultimately the head. But it does remind me that I recall Buster Brown coming in to a staff meeting in 1979 or so and declaring that we, the Latin American Bureau, were Pepsi Cola. There had been a lot of management reviews and articles written in the press identifying characteristics of different companies and Pepsi Cola was one that had this "we can do anything" attitude and that was the company Buster identified for us.

WILLIAMS: Well, yeah, you know what happened in Pepsi Cola, was that the Frito Lay executives people took over. They were outstanding marketing executives and created a new corporate ethos at that giant company that led to their subsequent great success.

Q: So, you designed the program and then you stayed on to implement it?

WILLIAMS: After I designed the program, and following AID/W's approval, the mission was pleased with the results and asked me to stay on to implement this new project. Rosa and I agreed that this would be an ideal situation for us, and we agreed to remain in Honduras. At the same time, my colleagues, and now great friends, Rob Thurston, John Kelly, and Paul Hartenberger, also were extended to implement their projects. Therefore, at the end of the day, we all stayed on to implement those projects that we had designed.

Q: And you were all personal services contractors?

WILLIAMS: Yes, we were at that time.

Q: And then...but all of you then became U.S. direct hires?

WILLIAMS: That's right, yeah.

Q: While you were in Honduras?

WILLIAMS: While we were in Honduras, thanks to our Director, Jack Robinson.

Q: Wow, there's a man who knew how to manipulate the system.

WILLIAMS: He sure did. And he accomplished this during a hiring freeze.

Q: OK, well....

WILLIAMS: (Laughs)

Q: Before we go to any lessons learned about how to hire during a hiring freeze, maybe you could talk about any important lessons out of this agricultural marketing program?

WILLIAMS: in my view the key lessons learned were:

First, the importance of public-private partnerships. The private sector in a country -- in a developing country -- can make major contributions to public programs if an appropriate, mutually beneficial partnership is created, it's a win-win for both sides, And this was -- I'm really proud of this accomplishment. Further, I'm proud of AID, because this was a time when politically it would have been easier to avoid working with the banana companies. At that point, the banana companies had a bad reputation, the Hondurans were angry, the United States was embarrassed, and so you didn't have the elements of a partnership there. But we convinced all parties to agree to a good arrangement, at the right moment. So, we formed this tripartite partnership between the GoH, AID and the banana companies. And not only with United, because as I mentioned previously, once I had this in place I went up to see Castle & Cooke, and my pitch was , "you know, so here's what we're doing down the road, your company should be involved in this too, and here's the template for a mutually beneficial partnership."

Q: And they agreed?

WILLIAMS: Yep, right away.

Q: Wow.

WILLIAMS: (Laughs)

Yep. The executives who agreed by the way, for Castle & Cooke, went on to become part of the senior leadership at Castle & Cooke -- Dole. A guy named Bill Swinford, and a guy named Randolph "Randy" Fleming. --it was expected that the executives who spent part of their career as general manager of the Honduran operation were automatically on the road to becoming one of the top executives of Castle & Cooke and Dole. They became strong advocates for the USAID supported diversification projects that we developed over several years with the GoH.

Q: Given the political environment in which you were working, did you have to convince our own embassy and the ambassador and the country team about the advisability of working in partnership with the banana companies?

WILLIAMS: We did, but I admit that it wasn't my responsibility. The Mission Director, Jack Robinson and my boss Tony Cauterucci convinced the US Ambassador of the value of these partnerships. The US Ambassador was an elegant and thoughtful person, Mari Luci Jaramillo. She visited our projects several times, and as I recall was very supportive of the partnerships we developed with the banana companies.

Q: The higher-ups in the mission.

WILLIAMS: after Tony left Honduras at the end of his tour, my project was shifted to the agricultural development office, and my new boss Bill Janssen. Bill and Jack Robinson had worked together in the Dominican Republic and they were a formidable team of veteran development officers. I think it would be fair to say that they were determined leaders and both the GoH and AID/Washington respected their judgment and strategic thinking in building up the Mission's portfolio. From my perspective, from a business and technical standpoint, I knew that if your goal is to empower small farmers in Honduras to ship American standard, agricultural products to the United States (perishable products), it's imperative that you have the expertise to do so in Honduras. And in this case, this expertise resided with the banana companies. At the time, I didn't fully realize all of the political issues that had to be addressed in order to achieve this objective. (laughs)

Q: But ultimately, people helped you figure out how to.... how to manage it?

WILLIAMS: Yeah, ultimately, the technical argument carried the day. Further, as we now know in hindsight, the belief in and resources for public-private partnerships led to

the embrace of this approach. The lesson learned was that it's essential to develop these types of partnerships in a developing country. You have to find allies willing to engage in a tripartite alliance. And so, we formed a great alliance. I had counterparts inside the government, leaders in the banana company, and colleagues in AID who were all willing to support this vision and approach.

Q: And....

WILLIAMS: And then, a very dynamic and experience senior expert joined the Mission, one of Jack Robinson's long time colleagues, the development "guru" Len Kornfeld. Len was old school USAID, and a master strategist and tactician, who spoke fluent Spanish. He never took "no" for an answer and usually won most arguments on any given issue concerning project design or implementation. He was brought to Honduras to be the architect of our massive agriculture sector loan. Remember those days, very large, multi-component sector loans? The newly minted Foreign Service officers, Rob Thurston, Paul Hardenberg, John Kelly, and me were all given a project component to lead under the ag-sector loan.

Following their assignments in Tegucigalpa, Rob and Paul (both RPCVs) continued on to have outstanding USAID careers as senior officers in missions in Africa, Asia, and Latin America.

Q: Now, let's go back to.... you were then hired as a direct hire and this was all orchestrated at post?

WILLIAMS: Yep.

Q: And the mission director must have worked with HR (human resources) in Washington to figure out how to do this?

WILLIAMS: \ Yes he did, working with the Latin America Bureau.

Q: The Latin American Bureau...and you were all sort of mid-level hires?

WILLIAMS: Hmm, yes,

Q: So... you were sworn in as FSOs...

WILLIAMS: Yes, and we all had significant work experience. I had the Peace Corps and the private sector experience. Paul Hartenberger had been a director with CARE, John Kelly had been a senior researcher with universities, Rob Thurston had been a Peace Corps staff member and had worked with agricultural co-op. So we were all mid-career types.

Q: Were you initially hired as foreign service limited officers or....

WILLIAMS: Probably, yeah, I'm pretty sure we had "Ls" for a while. As I recollect I think that's right, yeah...

Q: And then there was an L limited appointment (non-permanent) that often was converted.

WILLIAMS: I'm not sure if there was L or R, but we were in the probation period, whatever that was.

Q: Ok...

WILLIAMS: In retrospect, it's pretty amazing, because this occurred during a hiring freeze...(laughs) and I was certainly worried.

Q: This was now, either the end of the Ford administration or the beginning of the Carter Administration...

WILLIAMS: End of the Ford administration, Carter was elected in 1976

Q: I think it was January of 77, maybe?

WILLIAMS: Was it? OK, maybe so.

Q: And then Reagan was January of 81.

WILLIAMS: Yes, you're right because I was in Haiti when Reagan was elected.

So in summary, Honduras was a terrific place to begin my USAID career: great place to work, and a wonderful mission in terms of outstanding mentors, and superb colleagues. We had substantial funding for building a broad portfolio, and we were extraordinarily well connected to the Honduran government. The vast majority of our officers spoke fluent Spanish. It was also an excellent place to live and raise a family and Rosa and I had our first child there, Michael Aaron. An observation: in AID, like in other industries and organizations, if you are fortunate to begin in a favored place and do a good job, it a terrific launching pad for a successful career.

Q: If you look back at the first agri-business project that you were designing and implementing, what about the other projects that you were involved in, e.g., the larger agricultural sector program that you mentioned.

WILLIAMS: It came right after that.

Q: And that included an agri-business component?

WILLIAMS: It did, but I also was selected to lead the project design on another component. I was asked by Len Kornfeld to create an agricultural research project that would strengthen the National Agriculture University (CURLA) in Honduras.

Q: OK.

WILLIAMS: Each of the new officers were put on Len Kornfeld's team.

Q: On the agri-business work, you put in place this public-private partnership and, if you look back on the results of that, was that instrumental to the export of higher value crops from the country?

WILLIAMS: Yes, it was a launching pad for what eventually became a substantial fresh produce industry in Honduras.

Q: And it's on-going?

WILLIAMS: It started in Honduras, as a pilot project that would tap the relatively limited winter market. As you probably know, the U.S. produce market is dominated by the United States in the summer, and Mexico in the winter. And now, Chile. But in the mid-1970s, Chile was not yet a major factor. Clearly nowadays, Chile is just as important for the American market as Mexico. We estimated that there was a small window of maybe eight weeks when a new producer country could provide product for that market. And so, Central America and Caribbean countries moved quickly to take advantage of this opportunity. So, the banana companies were looking at melons (honeydew and cantaloupe), which grew into the massive production/export today. At USAID, we started with tomatoes and cucumbers, and after much trial and error, cucumbers became the dominate product for export. So now, today Carol, cucumbers are grown and packed in the fields and shipped directly from Honduran farms to Safeway, Giant and other major supermarkets. That's what we started. AID played a major role in this export expansion.

Q: Right.

WILLIAMS: So, I saw it start from zero to where it is today, a multibillion-dollar business.

Q: Did you see that the model that you had developed in Honduras as unique to that circumstance, or did you see that being replicated elsewhere? Were other missions observing and seeing what you were doing?

WILLIAMS: Yes, there was a lot of discussion and field visits by other Missions' staff, and I traveled to the other Central America missions and shared our experience. I saw that it was my role, in a limited way, to proselytize about our experience in Honduras.

Q: So, you were an asset for the bureau more generally...

WILLIAMS: Well, I didn't see it that way at that time. I was just, you know, sharing information with colleagues. But yeah, I guess so! (laughs)

Later, I became even more involved, as you know. But at that point, it was just sharing information. And also, it was an exciting time because the banana companies, and Del Monte had operations all over Central America. And why did that model work? Because number one, we provided technical assistance to the farmers; second, we provided the shipping and marketing services that are crucial to the fresh produce business. Clearly the banana companies knew what it took to market a tropical product in the United States. We introduced very structured, well-defined, business practices that we didn't have to graft on to the Honduran agr-sector, and that was no mean feat. That's especially a challenge when working with small farmers who have very few resources. That was a great leap forward, right? Also, we had a lot of trial and error. I remember the first crop we produced was totally destroyed by wind scarring. I will never forget that.

I drove into the Comayagua Valley looking forward to the first harvest, the cucumbers were being grown on trellises, very thin, plastic trellises. There was heavy wind in the Comayagua, and when I got down there I saw the trucks were there, and we were all set to ship produce to the US. However, the banana company guy said, "We can't ship any of these cukes" What do you mean? I promised this first harvest. "Can't ship any of this, it's all scarred, and it was not going to be accepted as top quality produce by the American market, because they had this slight scarring on these cucumbers from the trellises. So, we had to come up with a whole new way of dealing with this wind issue in the Comayagua Valley.

Q: What happened with the farmers who grew those cucumbers?

WILLIAMS: They took a loss.

Q: They took a loss.

WILLIAMS: But luckily, it was covered by the National Credit Bank.

Q: So, it was kind of crop insurance?

WILLIAMS: It wasn't formal crop insurance, but it ended up being the equivalent of that type of coverage. So, you could imagine, right? We're driving into the valley, we have trucks there, the farmers are there, the mayor of the town was there; all are set for a celebration.

Q: You were waiting for a celebration?

WILLIAMS: Yes! We got banquet tables over there, I can see it right now. And then the United Fruit guy says, "Houston, we have a problem. My young agronomists from the Honduran extension service are looking at me, and asked " what are we going to do"! (laughs). Nobody told me about the damn wind in the Comayagua Valley during harvest.

Q: And then you learned how not to use that kind of trellis again.

WILLIAMS: Yeah, yeah, we had to change. But this was a trellis that everybody used everywhere in the world, but we couldn't use it there because of the wind. This was Israeli trellising we were using. We also introduced drip irrigation, and we hired Israeli experts as technical advisors. I remember I negotiated with the Israeli embassy in Honduras to give us some technical advice. People who had grown fruit, fresh produce in the Negev. But uh...that was not the only problem. We also ran into another silent problem that we didn't know about regarding the soil in the valley. Did you know that tobacco and tomatoes are in the same family? So, they had grown extensive tobacco production in the Comayagua Valley ten years before that., The tomatoes that we grew the first year wilted on the vine, because of mosaic disease. And then we found out, oh yeah, right! Tobacco was grown here ten years ago! (laughs) That's why we took tomatoes off our list, we learned that couldn't grow tomatoes there. Cucumbers were good but not tomatoes.

Q: Wow, so there was a lot of learning by doing.

WILLIAMS: Oh yeah. Now it's important to note that the banana companies, before they put bananas on new land -- they do comprehensive, in depth, longitudinal surveys. But we were running fast -- we had a three-year AID project. We felt that we gotta get this thing up and running.

Q: You just start planting and then...and learn.

Now, both of these were pretty severe, serious issues. I'm thinking about portfolio reviews and you look at how a project is progressing, and here you encountered some serious issues.

WILLIAMS: We did.

Q: Did that present problems, I mean, were there people saying, "oh, this isn't gonna work" or did people just say "these are problems but we know how to fix them and we're going forward." How did you deal with those kinds of fundamental problems?

WILLIAMS: Well, I was really worried because I mean...not only was I worried because the project wasn't going forward the way I had envisioned, but I also wanted AID to renew my contract at the time. I have a very practical sense. Because I definitely didn't want to leave AID, I really loved it. This was a great career move for me. Fortunately I found terrific support in the mission, people were very reasonable and understood the nature of these problems. And Tony Cauterucci was first and foremost, the greatest guy to be your first boss. You know Tony pretty well. He was this incredible human being, smart, straight shooter, if he said he had your back, he had your back, and he was a terrific mentor. We're lifelong friends to this day. We just had dinner with Tony & Rosy

in Sarasota about six months ago. He was my role model for my management practices in my future, without a doubt.

Q: I think it's one of the most important skills an AID officer needs, is to learn how to manage when problems arise.

WILLIAMS: Which they are, this is development. There's gonna be problems, right?

Q: You don't give up prematurely but you have to figure out how to manage around it.

WILLIAMS: And this was complicated because you had to manage three parties. So, I had to make sure I calmed down my young Honduran agronomists who were in total despair over the startup problems. They were very sharp young men, and as a matter of fact, they went on to become minister of agriculture, and the director of the famous Zamorano School. Unbelievable, right? But they were worried at that moment, they had just graduated and this was their first major job. The banana company people were pretty sanguine about it. This didn't bother them, right? They didn't have a lot of capital invested in it anyway, so they thought this was all manageable. That helped me sell the case to AID. We had a plan of action; it wasn't like this was a big surprise once we found out what the cause was with the tomatoes and the cucumbers. Yeah, those were some tense times and the farmers you know, were totally despondent. They had followed all this advice from these American wizards and it didn't work (laughs).

Q: Whoops

WILLIAMS: It's important to point out that the farmers were very poor, these were people that had one t-shirt and very limited income if any at all. It was an incredible opportunity for them after they had all received 20 hectares of land from the GoH's agrarian reform program. This is one of the great success stories of Honduras, because over a decade, they became the elite farmers of the Comayagua Valley. Their standard of living has changed dramatically given the increase of vegetable exports, and their corresponding increase in income. Now these farmers have pick-up trucks, they sent their kids to private schools, they have color TVs, and they have become the important people in their valley.

Q: Yeah -- ultimately.

WILLIAMS: Ultimately, over a period of five to ten years.

Q: Which is another important lesson that change takes a while.

WILLIAMS: No doubt, it certainly does. I was fortunate to have the chance to return to the valley a couple of time over the years, both with AID and Peace Corps, and saw the trajectory of these changes in the farmers and their families. It was pretty amazing. And the people, the farmers and GoH counterparts that we worked with were the pioneers of that successful program and the creation of a new industry in Honduras. The only thing

that disrupted that growth trend was the building of a military base in the valley during the Iran-Contra period.

Q: I was going to ask you actually, because you were in Honduras until 1979...

WILLIAMS: Right

Q: So, there were issues in Nicaragua and there were some, in the Honduran-Salvador war I think?

WILLIAMS: That was before me.

Q: Before you...

WILLIAMS: Yeah, that was before I got there.

Q: So, there was some instability but it -- the Sandinistas, had they come in?

WILLIAMS: There was no guerrilla activity or security issues during that period in Honduras. Although the Sandinistas had taken over in Nicaragua in 1979, the Contra wars had not started yet

Q: Any security issues....

WILLIAMS No, It was a total, tranquil period of time, in the country, and one could travel anywhere. The major on-going issue in Honduras at that time was combating political corruption, and the transition from military led governments to electoral democracy.

Q: Right. That's the Honduras that I recall. But, now it is one of the most dangerous places in the world.

WILLIAMS: I mean, when I think about it, I traveled freely all over that country and drove myself to every major city in Honduras. And the Mission had a small plane in those days, and we flew to the most isolated places in our plane. Another thing that I remember about Honduras is that we had a very senior, savvy management team. They gave the young officers a lot of latitude for us to do our jobs. In addition the four of us previously mentioned, we also had on staff other top notch FSOs, including Eric Zalman, Marcy Bernbaum, and Ken Scofield...each went on to have terrific careers in AID. So, it was an outstanding Mission.

Q: A great mission.

WILLIAMS: It was a great mission.

But at the same time, we had tough, disciplined senior managers, such as John Lovaas and Marty Dagata. We benefited from their oversight and guidance, despite the gauntlet we often had to endure to please them! (laughs).

Q: Right, right.

WILLIAMS: in 1978, I moved to a new division, and my new boss was Bill Jansen, who I have mentioned previously. He had a different style compared to Tony Cauterucci, but he was an excellent leader and visionary. Under his supervision, he gave Rob, Paul and I free reign to implement our projects.

Q: When you became a direct hire, when you made that decision, you realized that it was not to be staying in Honduras but that you were embarking on a world-wide career with AID.

WILLIAMS: Exactly.

I would say that that was one of the best career decisions I ever made: to join AID. I have great respect for AID as an agency; and the things that we accomplished at AID as an agency, especially in Latin America in those years. I think it was a pretty impressive period of time.

Q: And again -- -was it the agency going to the four of you who were all great, mid-level personal services contractors in the mission? Did the mission come to you and say -- we need to get you into the Agency as direct-hire employees, are you interested in that? Or, did you all go to them and say, what can you do to help us become direct-hires?

WILLIAMS: I think it was both. It was a marriage of both sides. We were both interested and willing.

Q: So, you guys were interested and AID knew it.

WILLIAMS: Yeah....

Q: And then they made the effort

WILLIAMS: we were fortunate that we worked for leaders who wanted to bring us on board, right. Further, Jack Robinson had the astuteness and clout to pull it off .(laughs). We were all amazed at how we could do this when we heard about the hiring freeze. We were very concerned, and thought, oh my God, what are we going to do now?

Q: And in the Latin American Bureau, those were the days when they had very strong management officers, who also had clout and terrific insights as to how to manage this process.

WILLIAMS: Jerry Pagano, and Terry Stephan were powerhouses, and they successfully shepherded our paperwork through the HR system.

Q: They knew how to work the system

WILLIAMS: That's right

Q: There are some advantages to having old pros.

WILLIAMS: There's nothing like it. It makes all the difference in the world.

End of first interview.

Q: This is Carol Peasley, and this is the second day of interviews with Aaron Williams. Today is March 8, 2017. And I believe, we finished up, more or less, on Honduras, and you had transferred to Haiti where you were the office director for the private sector?

USAID/Haiti, Project Development/Private Sector Officer (1979 – 1983)

WILLIAMS: Yes, I had been assigned to Haiti, and my new position was as a capital development officer or project development officer. I was in an office with Scott Smith and William “Stacy” Rhodes. Scott was the office director, and Stacy and I worked for Scott. Scott, in turn reported to highly respected economist in AID, Bill (William S.) Rhoads.

Q: This was 1979?

WILLIAMS: 1979, yes, right. I was going to serve in Haiti until 1983. During my first year there, Larry (Lawrence E.) Harrison was the mission director, another highly respected guy in the Latin America Bureau.

Further, it was a time of great change in Haiti because François Jean-Claude “Baby Doc” Duvalier was the president, the son of the despotic and feared, long time g dictator, François Duvalier, aka Papa Doc, who died in 1971. There was a lot of concern being expressed by the US and other donor countries as to how an unprepared playboy, with an apparent limited intellect was going to fare as the new leader of Haiti, and would there be any chance for a real democratic transition.

So something very interesting occurred in terms of US policy, supported by the other major donors, e.g.: the World Bank, France, Canada, and the UN. The United States had a significant foreign assistance program in place and the “donors’ collectively decided that we were going to assist Jean-Claude Duvalier and a small group of progressive ministers who he had brought in—people who had been educated in France, in Canada, in the United States. These new ministers expressed their support for massive reform across

the entire government (GoH), aimed at pursuing democratic governance, and focused on ways to stimulate economic growth, and generate hundreds of thousands of jobs.

At that time, the U.S. had in place items 807 & 809 of the Tariff Schedules of the United States (TSUS), long standing trade preferences that had resulted in the growth of off-shore sourcing of components and finished products for the US market. At the time, Mexico was the major off-shore location for US companies, but this was also the beginning of a surge from some Central American and Caribbean countries. This special set of incentives proved to be a major opportunity for Haiti, and later in conjunction with the Caribbean Basin Initiative (CBI), led to rapid growth of jobs in the assembly sector in this country.

Haiti, of course, had one incredible resource, which was cheap labor. So literally, 50 or 60 American companies moved quickly into Haiti to take advantage of the both 806 & 807 and subsequently the CBI.

Q: And those were (former U.S. President Ronald) Reagan initiatives?

WILLIAMS: That's right; those were Reagan initiatives. He was elected in 1980, so my first 2 years in Haiti were during the Carter administration. During the Reagan years, and because of these new policies, trade between the United States and Haiti increased significantly. And that all started to build up during my first year in Haiti.

Given this anticipated rapid expansion of corporate investment in Haiti, Mission leadership decided to create an office of a private enterprise development. I was selected as the head of that office during my second year in Haiti.

Parallel to the policy changes, USAID's budget was increased significantly in all of the CBI countries, and the USAID/Haiti was able to use these funds to support new private sector programs. We began to develop significant partnerships with the major trade associations in Haiti: the apparel trade association, the toys and the electronics association. There were a couple of major Haitian entrepreneurs who led those organizations. During this same period major American corporations, e.g.: GTE-Sylvania, Disney, MacGregor, Sara Lee, Rawlings, Gap, Mattel set up assembly plants in the Free Zones of Haiti.

The major products assembled in Haiti were garments, electronics, baseballs, games, sporting goods, toys, footwear, and leather products. Of special note was the fact that during this period all Major League baseballs were sewn in Haiti.

And the thing that was interesting about that, Carol, is that those plants operated as if they located in the United States or Puerto Rico. Further, the Haitian government, to the best of our knowledge, never interfered with the operation of those plants. And, frankly, you could incorporate a new operation—a new manufacturing operation—in Haiti in about 90 days. It was an incredible time.

Q: Were these the industries where they imported the raw materials, and it was just assembled, it was all finished in Haiti?

WILLIAMS: They imported raw materials, cloth, and components and the final product was sewn, or finished or was assembled, in Haiti. This was also the period when, under the Caribbean Basin Initiative, the so-called twin plant manufacturing approach was created. Under this scheme, for example, streetlights—you know, the big arch street lights were manufactured via shared labor between Puerto and Haiti. In Puerto Rico, GTE-Sylvania would manufacture the light itself—the light fixture. They then would ship the light fixtures to Haiti, and Haitian workers would insert the filaments. The companies saved an enormous amount of money and did not have to pay duty on that.

So you had literally hundreds of thousands of Haitians employed in those factories. And if you consider at the multiplier effect, the average Haitian probably supported five to six other people. So, I would say that, in those days, if you assumed 800,000 people working in the factories, and use a factor of six, you could have four million people plus were being supported.

Now, there was, of course, often, discussion about whether or not the factories provided decent working conditions for the average Haitian. I toured a lot of those factories with American congressional delegations, with American business leaders, with Haitian business leaders. And I'd say that 75, 80 percent of those factories were modern, well lighted, air-conditioned facilities.

Was the work hard? Yes, the work was very hard. Was there any alternative for the average Haitian? No, except to work on the street or be involved in the informal sector in one of the many huge markets in Haiti. So this was the first time many Haitians had decent, fairly well paying jobs in the Haitian context.

Q: And all the production was exported? They were export zones?

WILLIAMS: Yes, all shipped to the USA. There was only one export zone. However, Haitian law was very flexible concerning export zone status. You could create your own export zone in an individual plant. There weren't really a lot of restrictions on setting up this type of a facility.

The overriding factor in this rapid export growth was that Haiti was very competitive from a wage standpoint, and was a very profitable location for the electronics and apparel industries. This was the era before China became a major low wage destination for global corporations.

Q: Right.

WILLIAMS: So China was not a factor, and Haiti was of course, like the Caribbean Basin, in close proximity to the United States.

So, what was the role of AID? We designed projects and programs in my office under the Mission's overall private sector led strategy. We assisted the business associations in their efforts to attract investment into Haiti. We also assisted American companies that came to Haiti explore ways to set up businesses in Haiti. So we worked on both sides of the equation.

In addition to the investment & export promotion programs, with the additional funding under the Caribbean Basin Economic Recovery Act, we worked with groups of local investors to create the first private investment bank in Haiti, a Development Finance Corporation. This was similar to the strategic approach being taken throughout the CBI region with USAID funding.

It's noteworthy that this DFC was based on the model that AID had promoted in countries like Peru, the Dominican Republic, Panama, and other places.

We had a unique situation in Haiti, in that, for the first time in the history of Haiti, we actually had Haitian investors make a substantial investment in the equity of a private firm. It wasn't public because there was no public equity market in Haiti at the time, but it was a multi-owner development-financed corporation. It was an extraordinary initiative, and contrary to conventional wisdom in Haiti, the Haitians raised a million dollars. Everybody told us that it couldn't be done, that major Haitian families would not come together—because historically, they had always been at war with each other in their business practices—to invest.

I was also very fortunate that we received extraordinary assistance from one of the legendary consultants and visionaries in Latin American who you might know: Humberto Esteve . He was then the Vice President for Latin America at Arthur D. Little, the management consulting company. Working with Humberto and his dynamic team of brilliant young consultants (Robert Wagner and Eduardo Tugendhat), they played a major role in assisting us to create the Development Finance Corporation, which by the way still exists. It's called the SOFIHDES, the Société Financière Haitienne de Développement, S.A. I greatly valued Huberto's expertise, friendship and sound advice that he generously provided across a wide range of topics.

At the same time, we also worked on small business development. We had a number of microenterprise development projects with the Pan American Development Foundation, which at the time, as you remember, was involved in creating microenterprise lending operations throughout Latin American.

Q: Yes.

WILLIAMS: We had a special focus on Haitian handicrafts and artwork, because the Haitians are world-renowned for their handicraft and artwork. One of our major initiatives was to arrange for a Haitian delegation to participate, for the first time in the history of Haiti, and exhibit at the Atlanta Art Show, which at the time was one of the top two or three—handicraft fairs in the United States.

We traveled with the Haitian delegation to Atlanta. At the time, Andrew Young was the mayor of Atlanta. He met us, gave us a key to the city, the city provided a gracious and warm welcome to the Haitian delegation.

Overall, we saw a wide array of positive developments in Haiti at that time. It appeared that Jean-Claude Duvalier and his regime were going to be more progressive, more open to democratic transformation, concerned about the general wellbeing of the Haitian citizens, and willing to promote increased economic growth in the country. The policy and funding platform for this work by USAID was of course the Caribbean Basin Initiative.

Q: And you were working directly with the government on some programs as well? Maybe not in the private sector office, but other parts of the mission?

WILLIAMS: Right. With the Ministry of Finance, the Ministry of Planning. These two cabinet ministers were the leaders in the Duvalier Administration on private sector development.

Q: And how long did this positive sense of progressive Duvalier government last?

WILLIAMS: It continued during my four years in Haiti. As I was about to depart for my next assignment in Costa Rica, certain events came into play that turned out to be indicators of the eventual political and social upheaval that occurred subsequently in Haiti.

WILLIAMS: You asked the question, “How long did this progressive era continue with Jean-Claude Duvalier?” Well, it continued until, I’d say, probably 1980-81, something like that, until he married Michèle Bennett. Baby Doc was no saint, and the US Government was certainly concerned about, and suspicious of many of his policies and activities, but this rose to a new level when he married into a family of corrupt kleptocrats!

Michele Bennett and her father were determined to reap the benefits of being the leaders of Haiti, and one of their major areas of focus was the successful export promotion business and the role that the GoH played in supporting this sector. We began to see growing corruption and interference in the private sector-led growth. The Haitian business community and American firms began to complain about the situation.

And so the country began to unravel, due to the increased levels of personal corruption by Duvalier and his in-laws. Further, he faced and could not resolve several national crises, including the onset of the HIV/AIDs epidemic and an African Swine Flu epidemic, and eventually this led to him being overthrown by the military in 1986.

Q: Now, I vaguely recall, in the Latin American Bureau, at some point in time, we stopped doing any direct work with the Government of Haiti and instead only worked with the private sector.

WILLIAMS: That's right.

Q: Was that during the time you were there?

WILLIAMS: I left for Costa Rica in 1983, and at that time we still has a large AID program, including massive PL-480 food assistance programs and substantial local currency funds. As I recall, we were deliberating a shift in our policy that would stop all assistance to the GoH, and only provide funding for international and local NGOs. Of course under such a scenario, the PL-480 programs would continue.

But that certainly became a focal point of most of our assistance to Haiti in the years following that.

For example, we already had in place major programs with local NGOs (non-governmental organizations) in the health sector. I recall that our esteemed colleague Linda Morris had designed and was implementing a major community health project in a place called Cite de Soleil. Linda not only was a terrific health officer, she returned later in her career to Haiti as Mission Director and ran one of USAID's largest missions. This project that she started, has been a decades long success story, and I believe that USAID continues to work with this NGO.

Q: So you began to see a deterioration of the environment while you were there, after his marriage?

WILLIAMS: Yes, after he married Michele Bennett the corruption was fast tracked, because she and her father were even more corrupt than the worst sorts of the Duvalier regime. This was truly unfortunate because there was substantial economic growth and a democratic awakening that could possibly have led to a different future for the vast majority of Haitians. Tourism was also booming in Haiti, and as a matter of fact Club Med came to Haiti during that period of time. Of course the most positive development was that hundreds of thousands of Haitians were working and earning a decent income for the first time in this country's tragic history.

Q: So did the environment began to deteriorate, even before you left in '83?

WILLIAMS: Yes, it was clearly becoming a difficult political and social environment cutting across sectors of the society.

Q: 1983. So the environment was deteriorating. But had the American investors remained: Were they all still there?

WILLIAMS: They were still there, because their operations were still profitable.

Q: Had any of them begun to leave?

WILLIAMS: Well as long as they had the US trade incentives were in place, they stayed. And again, the Duvalier Administration didn't interfere directly with them. They were a world apart to a certain extent.

But it was clear, though, that corruption was increasing, that the reach of the Bennett family was becoming more pronounced. And, it was clear that Jean-Claude Duvalier was losing control.

I have continued to follow the Haitian political scene from afar after my departure in 1983, and things have continued to deteriorate. The history has included a military junta following Duvalier, to the 1990 election of President Jean-Bertrand Aristide, a former Haitian priest and politician who became Haiti's first democratically elected president. Aristide, the coup against him just one year later, followed by another military junta, the chaotic election and reelection of two political leaders, the return of Aristide and then Préval, the devastating 2010 earthquake and its aftermath, the Martelly presidency, and the new election in 2017—all factors in Haiti's continuing struggle against extreme poverty and traumatic democratic governance.

Q: Right. Aristide was outside of Haiti.

WILLIAMS: Yeah, that's right.

Q: Was he in Canada?

WILLIAMS: He was in Canada. Where he had studied I believe for the priesthood.

Q: Yes. Did you know of him when you were there, or would that all have occurred after you left?

WILLIAMS: No, I had not heard of him. I had heard of some of his followers, but not him *per se*.

Q: But that period that you were there, 1979 to 1983, was probably one of the most positive periods in Haitian history.

WILLIAMS: It was! It was exceptional in terms of the broad sector projects and programs that the Mission implemented in support of the Duvalier "progressive" cabinet. We thought Haiti had a real chance because of the economic drivers in that economy i.e. both the local and foreign private investment and job creation. Further, the export economy was becoming so big and powerful that we believed that the government couldn't really interfere and stop this momentum.

Meanwhile, hundreds of thousands of Haitians were being employed, were being trained, were moving up the social economic ladder to create the beginnings of a broad middle

class. One has to remember that Haiti was, and continues to be a peasant society. But at that time, you had the beginnings of a middle class.

Q: If you were to look back just in retrospect now, would you do anything differently in the private sector program, knowing what you know now? Or do you think that, in fact, that what you did really had—didn't affect what ultimately happened?

WILLIAMS: Oh, I think what happened with Aristide's ascendancy was inevitable in Haiti. You know, because what happened, of course, was that when Jean-Claude Duvalier loosened the dictatorship's reign over the people, obviously discontent was inevitable. And you had a popular, charismatic leader like Aristide, who was, you know, a man of vision. He had the religious aura around him, he apparently was an honest, clean politician, and a man of the people. So his rise appeared to be inevitable.

And so by the time he became a force within Haitian politics, the regime had already loosened its hold on the Haitian people, so they couldn't recapture that. And also, and this is very important, the outside world was supporting Aristide. The European, Canadian, and American governments were firm in their commitment to him, and this support plus Aristide's charismatic leadership led to his ascendancy.

Q: Right.

And then of course, Aristide had to decide what role would he permit the business community to play in terms of his approach to governance. For after all, clearly he had to contend with the major players in the national economy. And without a doubt, the private sector—both the Haitian private sector and the foreign private sector, who were in league with the Haitian private sector, but somewhat neutral in many ways- were suspicious of him. It was a complicated political situation.

Q: Right, but again, this was all sort of after you had left Haiti?

WILLIAMS: Yes, all this occurred after 1983. However, I did re-engage on Haiti when I returned to AID/W. First, as acting Assistant Administrator/LAC when I led the Haiti task force as the Bureau managed the evacuation of the Haiti Mission staff following the coup against Aristide. I formed an excellent partnership with my colleagues, David Cohen, the Mission Director, who skillfully led his staff through this major upheaval, and Susan Reichle, a newly hired Presidential Management Intern (PMI), who did an excellent job in her "trial by fire" during this period.

As anticipated, Susan, now the President & COO at the International Youth Foundation, had an outstanding career at USAID, with distinguished service both at HQ and in field missions. Over 20+ years, she served as: Counselor to the Agency, AA for Policy Planning and Learning, first coordinator for USAID's response to the 2010 Haiti earthquake, Acting Assistant Administrator for Democracy, Conflict, and Humanitarian Assistance (DCHA), Mission Director in Colombia, and senior democracy officer in Russia, Haiti, and Nicaragua.

My second “return” to Haiti, was as Executive Secretary when I was part of the delegation led by AID Administrator, Brian Atwood when he attended the second inauguration of Aristide.

Q: OK, well we'll get back to that.

WILLIAMS: (chuckles)

Q: Are there any other aspects of your work in Haiti where, obviously, it appears to have been a successful program? The idea was to generate jobs for Haitians and to help the economy grow—and it sounds like the Mission's team did a very good job of doing that.

WILLIAMS: Yes, in my view we played an important role in Haiti's “renaissance” at that time. I firmly believe that AID was in the forefront, with its portfolio of wide ranging projects and activities serving as a catalyst for the social and economic development of Haiti.

We had a very talented group AID officers working on these projects, including Michael Baldwin, a young FSO (and RPCV) who brought tenacity and superb intellect in managing his projects, that reached some of the most impoverished areas of Haiti. He left USAID after serving 2 tours in Haiti, and subsequently became both a highly respected academic and expert on Haitian culture and politics and a prominent lawyer in Florida.

We were also very fortunate to work with an outstanding consultant/advisor, Joseph Thomas. I first met Joe when he came to Haiti with the State of Florida's special task force for Haiti in 1980, following the Mariel and Haitian boatlift crisis in 1980, and at the time he was a senior advisor to then Governor Bob Graham. Joe was instrumental in assisting the Governor and Lt. Governor Nixon to facilitate the broad engagement of the state of Florida's leadership (government, business, tourism, universities, and leading NGOs) in Haiti, i.e.: with the GoH, civil society and the business community. Following this Florida-Haiti initiative, it was fortuitous that Joe then agreed to return to Haiti as a consultant and senior advisor to the Mission. We formed a unique partnership, and he subsequently played a key role in the design and implementation of the Mission's private sector program, with a special focus on export and investment promotion, and handicrafts.

Another important ally in the local business community was Robert “Bob” Burgess, the VP & General Manager of the US subsidiary in Haiti, GTE-Sylvania. Bob's factory was one of the largest American businesses in Haiti, employing thousands of workers. He was the President of the American-Haitian Chamber of Commerce (AmCham), and a leading spokesperson for the expatriate and assembly sector community. His involvement in our activities lent great credibility to the Mission's programs and projects, and we benefited greatly from his in depth understanding of “how to do business in Haiti”. We also were privileged to have as our counterparts several young Haitian businessmen, who supported and became advocates within the Haitian business community, quite unprecedented, for a

progressive business and social agenda to benefit the Haitian people. I recall well the strong partnerships we formed with Claude Levy, the Executive Director of the Haitian Association of Industries, and Robert Duval, the leading social & welfare entrepreneur in the country.

Our private sector strategy and programs benefited greatly from the leadership and support of the Mission Director Harlan Hobgood and his deputy, Phyllis Dichter. They were strong advocates of my office's activities and we also had a terrific partnership with the Embassy Economic staff, including my friend and colleague David Weiss, who went on to have a distinguished diplomatic and business career, serving: as Special Assistant to the Director of the Peace Corps, as Assistant United States Trade Representative for North American Affairs, as a FSO with senior assignments in both the State Department HQ and overseas posts, and as Senior Policy Advisor at the global law firm DLA Piper. He is currently the CEO of Global Communities.

Overall, the key projects and programs that we developed at the time illustrate the important role that USAID played in Haiti's economic growth during that early period of the CBI initiative.

We've discussed our partnership with the business community regarding export and investment promotion, and other examples would include:

First, in creating the Bank, we sent an important signal that Haiti was open for modern business operations.

I also think that our Haitian handicrafts projects created a brand for Haiti. We brought in European fashion designers from Italy to help design new high fashion- high value products for Haiti and this opened up world markets for the first time for Haitian designers, quite a major market opportunity.

We brought in Israeli drip irrigation experts to develop new export crops and diversified agribusiness projects.

Q: Yeah. But the Caribbean Basin initiative sort of lasted throughout the Reagan Administration?

WILLIAMS: Yeah. It was replaced by the Enterprise for the Americas under former U.S. President George H.W. Bush.

Q: OK, so through the '80s.

WILLIAMS: Yes. Then that ended up evolving into NAFTA (the North America Free Trade Agreement).

Q: Yes, right.

WILLIAMS: —which was a Bush initiative that, which candidates Clinton and Gore campaigned against, but then immediately supported when Clinton became President. (chuckles)

Q: So was Haiti one of the major beneficiaries of the Caribbean Basin Initiative?

WILLIAMS: Yes, definitely, because Haiti had the most advantageous wage structure.

Q: And if you compare it with the Dominican Republic?

WILLIAMS: Well, the Dominican Republic did very well because, number one, it had the dual factors of tourism and the assembly industry—*maquilas*, as they're called in Spanish.

Q: So they were also able to benefit from the CBI.

WILLIAMS: The D.R. benefited from both the 807/809 trade preferences and the CBI.

However, at first Haiti was in the lead in terms of jobs created in the export sector. One of Haiti's primary advantages, beyond the labor costs and efficient ocean and air transport to the US, was the ease of doing business in Haiti. Interestingly enough, Haiti was the easiest place to actually start up an export business in the Caribbean Basin. I observed this first hand, because I traveled to, and consulted with the other USAID private sector officers in the region, e.g., the Dominican Republic, Costa Rica, and Honduras. Each Mission was engaged in similar private sector led activities, given the incentives and increased funding under the CBI, and clearly at the time, Haiti was provided the easiest entry into an export business.

Q: Was that in part just because the government was probably one of the weaker governments?

WILLIAMS: That's right: weaker government. And the key ministers in the Duvalier regime decided that a 'hands off' policy for the export sector was in their best interests.

Matter of fact, during that period, a young and dynamic Haitian lawyer took on a prominent role in arranging these new export sector incorporations for the assembly sector in Haiti. This was the talented and idealistic Guy Malary. We worked closely with Guy on several matters related to the growth of the export sector, and our families, the Rhodes, Malarys and Williams, became great friends. Especially noteworthy, was that Stacy Rhodes and Guy designed the first project in Haiti to provide legal services for the poor. The "Legal Assistance to the Poor" Project and was designed to work with the Port-au-Prince Bar Association, and create a public defender service in Haiti. This noble attempt was stopped by the Duvalier regime, clearly threatened by even this modest project. Guy went on to build a thriving law practice over the next decade, but he had a vision of a better Haiti, and gave up his law practice to become Attorney General under President Aristide. Tragically, our dear friend and distinguished patriot was assassinated

in 1993 after four months in office. It was a real tragedy, a really decent man who made the ultimate sacrifice for his country.

Q: — If I were a Haitian of wealth in the business class and wanted to start a business for domestic production and consumption, it would've been more difficult. The enabling environment for the Haitian private sector—to be doing production for domestic market—that enabling environment was not as positive as the special one for the exports?

WILLIAMS: Well, no. I would say it was equal, because the key thing about this, Carol—I probably didn't go through this carefully—is that the American companies had Haitian partners. And so the elite of Haiti, the wealthy business families, were at the forefront of this build-up.

So for example although the major corporations, e.g. GTE-Sylvania, Disney, Sara Lee, K-Mart had established and ran their own factories, the many other firms engaged in Haiti, carried out their assembly and garment work via local Haitian partner companies under contracts

Q: OK, so they partnered with Haitian companies.

WILLIAMS: Yes, so it was easy entry for the Haitian firms that were involved.

Q: OK.

WILLIAMS: Then there was also an influx of Taiwanese companies that came into Haiti. Haiti was one of the few countries that recognized Taiwan in those days. And so the Taiwanese Government really supported and invested heavily in Haiti. They had a very large embassy staff and a very proactive Ambassador. Plus, the Embassy entertained a lot and served the best Chinese food in Port-au-Prince. (chuckles)

Q: That's always important to know!

OK, So when you left Haiti in 1983, you were probably feeling pretty positive, or pretty good, about all that you accomplished?

WILLIAMS: well, first of all, we had welcomed our second son Steven into our family, so that was a family milestone!

Regarding our work there, on the economy I think we did a good job there, under the Caribbean Basin Initiative funding, which was a great opportunity. I was obviously aware of and concerned, worried about the political situation in Haiti and the increasing corruption, and just the out-and-out kleptocracy of the Bennett family that Baby Doc had empowered. It was already apparent that he was not going to last long with her as his wife. Very predictable, right?

Q: Yes, right.

WILLIAMS: That was his downfall. Maybe if he had not married her, and her family had not been, you know, so corrupt, he might've lasted longer. However, I believe that the rise of an idealistic, populist leader was inevitable, and Aristide fit the bill, now that he had the opportunity as the regime became less oppressive.

Q: Yeah. It was just a political dynamic.

WILLIAMS: Mm-hmm. You know, it's very much like Marcos in the Philippines. You know, an absolute dictator, then all of the sudden they loosen a little bit, that leads to a popular uprising. Thankfully, the Philippines ended up a much happier place than Haiti.

Q: Was there a free press in Haiti? Was there reasonable press?

WILLIAMS: You know, yes and no. First of all, the real difference was that the foreign press—the American and European press—operated freely in Haiti. They couldn't oppress foreign journalists under Baby Doc—the way Papa Doc had: it was a different world. In Jean-Claude Duvalier's Haiti—the American and European press operated freely, independently, and quite frequently produced exposés on various issues involving corruption, and social problems. . They also shed a spotlight on the growth of business in Haiti.

The local press had to be more circumspect and careful. Because they didn't know when the "bad old days" might reoccur, that said, there certainly was a small opposition press there.

Q: Was there much discussion — Were they aware of what was going on in Central America, because this was the time of the Sandinistas in Nicaragua, and the FMLN in Salvador?

WILLIAMS: Sure. And the government portrayed itself as a U.S. ally against Communism. Absolutely, they played that card. And it resonated with the Republican-led American government.

Q: OK, so comes to be 1983, and you're looking to go on to a new job.

WILLIAMS: One last item that I would like to mention, was the work that Stacy Rhodes, David Weiss, Phyllis Dichter, Michael Baldwin, and I did to promote the idea of establishing the Peace Corps in Haiti. As RPCVs we believed that Haiti was an ideal country for Peace Corps, and in 1982, the GoH agreed to allow PC to open an office in Port-au-Prince. The first Director was Bill Granger, who later became a FSO with USAID, where he became one of the Agency's legendary Executive Officers.

USAID/Costa Rica, Director Private Sector Office (1983 – 1986)

WILLIAMS: Well, actually I wasn't looking to leave because things were going along pretty well in Haiti. I had consulted with several LAC missions since the advent of the CBI, and I got a call from the Costa Rica Mission: I spoke to Bastian Schouten, the deputy director and Dan (Daniel) Chaij, the mission director. They were leading a large and growing program, focused on private sector led growth. Dan asked me if I'd be interested in going to Costa Rica. They had created a new private sector office, and of course I was very interested. First of all, Costa Rica was an interesting country, I'd be able to use my Spanish language skills, and I'd been in Haiti for four years. When Chaij described what his plans were in creating the new office, it seemed like an excellent career move. The Arthur D. Little (ADL) team, led by VP Humberto Esteve was already working with the Mission on similar programs that we had started in Haiti, and that was a definite plus for me. And so, I agreed to go to Costa Rica for an assignment as head of the private sector office. Fortunately for me, it was at this time that I began to work with an exceptionally talented international development professional, Carlos Torres. Carlos has worked at ADL, was a Humberto Esteve protégé, and he had been hired by Dan Chaij as an advisor for my newly created office. Later on in my career, Carlos would play a major role at the US Peace Corps, both as one of my most trusted and outstanding leaders when I was appointed by President Obama as Peace Corps director, and as acting Deputy Director of the Peace Corps--- but that was far, far in the future!

Q: OK. Now this was in 1983. In 1983, this was the period in which Costa Rica was getting huge ESF (USAID Economic Support Fund) funding?

WILLIAMS: The entire Central America region was prominent in US foreign policy during that era.

Q: All of Central America.

WILLIAMS: Billions of dollars in programs. And the USAID programs also generated hundreds of millions of dollars in local currency, under the cash transfer program.

Q: Right, yeah. And hopefully we can talk a little bit about— Did the private sector office become involved with the ESF cash transfer programs (besides its projects) and can you talk about that?

WILLIAMS: Yeah, sure. Well, Dan Chaij was a unique individual, who at the time, was highly regarded and considered to be a thought leader in private sector-led economics and policy reform.

He also was an extraordinarily well connected to the Costa Rican leadership—including the 2 major political parties, and the Costa Rican business community because he had spent some of his youth in Costa Rica. He spoke fluent, colloquial Spanish. He was a special personality and person of great confidence in terms of operating in this milieu. As you will recall in that era, we had several Mission Directors in the LAC region who were very experienced LA “hands” and fluent in Spanish, but clearly he was at that time the

dean of those individuals in terms of his knowledge and standing, especially in the Costa Rican context.

Dan lead a large program, he had extraordinarily close and productive relationships with the GoCR, from the President across the Cabinet.

Q: Do you recall who the president was then, or which party?

WILLIAMS: At the time it was Luis Monge Álvarez.

Q: Monge, OK. Because he was the labor– Liberación (Partido Liberación Nacional), I think.

WILLIAMS: That's right, yeah

Q: That was the Social Democratic party.

WILLIAMS: Yeah. You served in Costa Rica, right?

Q: Yes, I have.

WILLIAMS: What year?

Q: I was there '76 to '78. And Carazo (Rodrigo Carazo Odio), who was a Christian Democrat, became president in 1978.

WILLIAMS: Dan Chaij had an extraordinarily close relationship with President Monge. I've never seen any AID mission director, anywhere in the world, have a closer relationship than he had with Monge.

I remember one day, Dan called me early in the morning at home. I often accompanied him to his meetings with the business community and occasionally with the government. Our senior Mission team met routinely with the Minister of Planning, the Minister of Finance,, the Minister of the Presidency, and the Vice President.

So I remember one morning, Dan called me and said, "I want you to get ready to come with me to an important meeting at nine o'clock." And so I said, "Where are we going?" I asked , "What do I need to wear? Do I need a business suit, or can I dress casually?" He said, "Just dress casually. We're going out of town to one of the suburbs."

So I still didn't know where we were going. He comes and picks me up in his official car and we drove out to President Monge's private home. In Costa Rica, being a very egalitarian society, the president does not live in a presidential palace. He lives in his own private home. And we met with President Monge, who also graciously prepared breakfast for us. (chuckles)

Q: (laughs) What did he fix?

WILLIAMS: It was a very amazing and revealing — It illustrates the closeness of their relationship. (laughs) And also, I had the utmost respect for President Monge as being a man of the people, who was open and focused on the well-being of the citizens of that nation. The principal focus of such meetings were topics regarding how the GoCR leadership planned to improve the lives of the average Costa Rican. Truly, really enlightening discussions.

Q: Indeed, indeed! So if one looks at those ESF programs and the policy agenda for those programs, were the programs a combination of economic growth and reform.

WILLIAMS: Yes, economic growth and reform. So what did we look at? We looked at all aspects of that economy. We were involved in trying to privatize the national bank, which was a major factor in slowing growth in Costa Rica, due to the lack of a modern, commercial banking sector, right? The national banks were crowding out lending for a new export based economy. Further, we were also involved in the GoCR's plan to privatize the national parastatal companies.

Q: Dealing with the individual corporations and financing?

WILLIAMS: Everything. Big chunks of the industrial sector. Further, we created a group of private finance corporations: three actually. One, in fact was a full-scale merchant bank, a first in Costa Rica.

Q: And those were capitalized with local currency generation?

WILLIAMS: With local currency and local investment and AID funding.

We created a trade and investment promotion private sector group called CINDE (Coalición Costarricense de Iniciativas de Desarrollo), which was a model for similar USAID supported organizations throughout Latin America, and both Dan and I shared our strategy and plans for these types of initiatives.

We also supported the export promotion arm of the Costa Rican Government, providing technical assistance to their senior leadership. We helped promote American businesses to come into Costa Rica and set up businesses there.

It was a comprehensive, full-scale program, and it provided broad engagement with both government and business entities that were leading the export and investment promotions efforts in Costa Rica.

Q: Was the reform agenda shared with the IMF (International Monetary Fund) and the World Bank (Group)? I mean, was there similarity?

WILLIAMS: Yes, we conducted extensive consultations with the Fund and the Bank. For example, the Mission and the LAC leadership played a major role in the consultative group meetings in Paris led by the Bank and the Fund.

Q: OK.

WILLIAMS: It's important to point out that in that era, AID was staffed with highly accomplished, experienced economists, and they were in the forefront of our meetings with those officials and with the IMF and World Bank.

Q: And as I recall, there were similar large ESF cash transfer programs in most of Central America, right?

WILLIAMS: Each of the countries had ESF programs, that encompassed major cash transfer programs.

Q: And some of those programs were kind of criticized because funds were disbursed, and it wasn't always clear that reforms had been made.

WILLIAMS: Well, not surprisingly, certainly there were criticisms, it would be expected, no?

Q: But I always assumed that was probably not the case in Costa Rica where they—

WILLIAMS: In Costa Rica, I can't remember the entire reform agenda. But I would say that in 90 percent of the cases, we didn't disburse until there was tangible, significant progress on the reform agenda. Not surprising, given Dan's leadership and his extraordinary relationships with the GoCR and the business community.

Q: Right.

WILLIAMS: We tended to focus on those things that he knew was doable, possible, and feasible within the Costa Rican political context.

There were exceptions to this, for example, we never really achieved success in assisting the GoCR to privatize the national commercial banks sector—clearly that was a bridge too far.

Q: "Privatizing" (chuckles)

WILLIAMS: I mean, "privatizing", yeah. (chuckles) Privatizing banks, that did not happen. There was tremendous resistance to that. So what we tried to do instead was to create a viable commercial banking sector, and an export banking sector.

Q: Right, it would compete.

WILLIAMS: Compete? Well, they couldn't really compete, but it was the beginning. We created three banks.

Q: And those were the ones that were—

WILLIAMS: Yeah, focused on export finance.

Q: I also recall, in this period, there was something called the Kemp Amendment (Kemp-Kasten Amendment). Do you recall that? That said the U.S. couldn't rely upon Bank/IMF decisions on whether conditions had been met. But, again, it sounds like in Costa Rica, you all had an independent policy agenda, an agenda that the mission had negotiated with the Costa Ricans

WILLIAMS: We did, yeah.

Q: And before that, the Kemp Amendment was probably irrelevant.

WILLIAMS: of course, it's important to note that this was also the period when the Reagan Administration was determined to combat any Communist threat in Central America. For example, the Contras were supported by the USG, and engaged in counter insurgency against the, and the USG supported the Salvadoran government's strategy to combat the FLMN. And so, Costa Rica was seen as a bastion of democracy in Central America. It was a favored state, without a doubt.

Q: Yes, right.

WILLIAMS: Another important development occurred in 1986 when Óscar Arias (Sánchez) became president of Costa Rica. He had a different view about the role that America should play regarding the wars in Central America and his goal was to pursue peace across the region. He became a proponent of peace negotiations, , very much to the consternation of the Reagan Administration.

Q: Right. Did that affect your aid levels in any way?

WILLIAMS: No, not really. Because Costa Rica was still too important.

WILLIAMS: That's about the time that I left Costa Rica, at the beginning of the Arias Administration. As I reflect on those years in Costa Rica, it was an important career opportunity, it was an exciting time to be there. Clearly the USAID Mission played a major role in the economic transformation of that country, from an economy that relied primarily on the coffee and banana exports to a diversified export base of light manufacturing, apparel, and flowers and ornamental plants. Probably the most important factor in Costa Rica's success story during that era was the extraordinary group of Costa Rican leaders, both in the GoCR and the business community, and we were fortunate to have the privilege to work with such outstanding visionaries and leaders. We had the privilege of working with individuals such as Luis Diego Escalante, who would serve as

Minister of Foreign Trade, Minister of Economy, and eventually as Ambassador to the US. He was a former businessman of exceptional integrity, tremendous leader and widely respected. Another visionary leader of that era was Muni Figueres, she served a Minister of Foreign Trade, Special Presidential Trade Representative, and Ambassador to the US. I had the great privilege of reconnecting and working with both Luis Diego and Muni when they served as Ambassadors during my tenure as Director of the Peace Corps during the Obama Administration.

Overall, the Mission's work was supported by a substantial budget, both in US assistance and local currency, a large and experienced staff, and as I have previously mentioned an outstanding Mission Director.

Q: Right. So the program was, it was hundreds of millions of dollars a year?

WILLIAMS: Yeah.

Q: And much of that was ESF-cash transfer, so the government put in an equivalent amount of currency. Once the dollars were disbursed, they went into a special account.

WILLIAMS: That's right. And then we created a series of trust funds that were used to support development projects selected by the GoCR. I believe that some lead to the creation of an endowment for the U.S.-Costa Rica foundation (Costa Rica United States Foundation for Cooperation - CRUSA) that still operates in Costa Rica.

Q: Right, so yeah. That was— We had close to a billion dollars to work with local currency generation that were programmed there.

WILLIAMS: Yes, that sounds correct.

Q: Some of that went to support a new university: Earth Resources University (EARTH University / Universidad EARTH, Escuela de Agricultura de la Región Tropical Húmeda)?

WILLIAMS: yes, the creation of EARTH.

Q: Dan Chaij's university. (chuckles)

WILLIAMS: Dan Chaij was one of the principal promoters and leaders of that movement. And I have to say, you know, that he was visionary. He was convinced that there was a critical need for an agricultural university that would focus on the central highlands, sub-tropical, agricultural zone, where a large percentage of farmers lived, both in Costa Rica and throughout Central America.

Q: OK, we are now back. And we were talking about the local currency generations. They went into a separate account, and then they were projectized?

WILLIAMS: Yeah, projectized,

Q: —and the university was one of these projects?

WILLIAMS: Yes, EARTH was one such project. Dan's view was that this ecological area was vast, but there was a lack of research about this "zone", a need for improved agricultural practices in this area, and a need to train a future cadre of experts in this particular agricultural zone. Dan saw this as a neglected part of agriculture, became a principal advocate for the creation of a university to address this need.

So he lined up support from the Costa Rican government and private agribusiness leaders. He identified potential support from some major US foundation, the W.K. Kellogg Foundation). Despite significant opposition to this idea, he managed to play a key role in the design and launch of the new university, and today, EARTH is one of the most successful universities in Central America! (laughs)

Q: Do you recall how much money— I mean, was this like about \$100 million in local currency that went in?

WILLIAMS: I don't recall the exact amount, that sounds in the ball park.

Q: Something like that? Was it larger than that?

WILLIAMS: This project was designed in the Mission's agricultural office, and I only participated in the initial discussions and planning effort. Dan was certain about the value of such an institution, and his vision has proved to be correct.

Q: So, OK. So local currency went in the university. I think some went into infrastructure, I vaguely recall?

WILLIAMS: Yeah, there was some infrastructure. You know Costa Rica didn't suffer from major infrastructure problems like the rest of Central America. But some of it went into that. For example, farm to market roads became very important to support the increase export crops, etc.

Q: Right. Some of it was used to capitalize the new private development banks?

WILLIAMS: yes, as I recall.

WILLIAMS: Another area of assistance was funding for technical assistance to the central planning units at the Ministry of Planning and the Ministry Finance. Both agencies played a major role in the national export and investment promotion strategy and they requested assistance.

Q: The local currency was used for that?

WILLIAMS: Yes

Q: OK, so you were using Costa Rican technical assistance—

WILLIAMS: And also foreign advisors.

Q: Foreign advisors as well.

WILLIAMS: We sought out expertise from 2 entities well known for their successful export promotion and investment promotion stories: Ireland and Puerto Rico. We hired Irish consultants from the legendary Irish Development Agency (IDA) to share their experience. We brought in leadership from Puerto Rico's FOMENTO agency, (Banco Gubernamental de Fomento para Puerto Rico) to help us look at trade and investment strategies and plans. And of course we continued to use the expert advice of Humberto Esteve and his team from Arthur D. Little.

Q: When you programmed the local currency, was that done jointly with the Costa Ricans, or was USAID able to make the decisions on the its own? Just because part of this is I'm not sure if AID, today, knows how local currency programs used to work. And so it might be interesting to talk about the mechanics of that.

WILLIAMS: So how did we do that? OK, let me think back.

Q: So it usually thought of this as being jointly owned.

WILLIAMS: Yes, our perspective was that it should be jointly programmed. And some in AID/W criticized us for that approach, for having such a strong say in how the local currency was programmed. However, Dan thought that this was the role that we needed to play as responsible officials managing funds that initially had been generated by the United States.

As I recall our lead officer on this joint effort was Kevin Kelly, an outstanding development professional. He was the director of the Program Development Office. So the Mission's team for this area was Kevin and his staff, Bastiaan Schouten, deputy director and Dan. The Mission officials worked very closely with the Minister of Planning, and the Minister of Finance. As I recall there was a special GoCR planning unit that we worked with. Overall, it was a very collegial, non-confrontational process.

Q: Right. And then—

WILLIAMS: And also, we assured that there was sufficient counterpart funding for the priority programs that we had identified. (chuckles)

Q: Right. So some was used as budget support for the programs that you were supporting.

WILLIAMS: Yes.

Q: In some way, there was a trust fund that covered administrative costs to USAID as well, because didn't you build a building or something like that?

WILLIAMS: Well, the new building was constructed after my tour ended in San Jose, so I don't know how that was funded.

Q: Yes, right. OK. But that was with, I think, local currency as well.

Q: But where were you when you were there? Where you still in the downtown office?

WILLIAMS: Yes, so you recall that building.

Q: Across the street from the old embassy?

WILLIAMS: Yeah, exactly.

Q: The IFAM building?

WILLIAMS: Yeah. Obviously, that was inadequate space for sure. Further, as the Central American crisis continued to heat up, the building was not considered to be secure. We lived through a difficult period (1983-86) of high-security concerns as the wars—the Contra wars—intensified in the rest of Central America.

Q: OK. And the mission was quite large then, right?

WILLIAMS: Yes, it was a very large mission, yeah. The Mission portfolio was nearly half a \$ billion, I believe \$440 million. I don't recall the staff count at the time, but in my combined office, Industrial & Agricultural Development, I had 23 staff. I was promoted to assistant mission director at the time, and over that period my office doubled in size due to the rapid expansion of the private enterprise development project portfolio.

Q: And it was peaceful in Costa Rica throughout that time, right?

WILLIAMS: Well, yeah, it was peaceful. There was no guerilla activity in the country, except for a couple of bombings in the south, not in San Jose. The major incident was the assassination of one of the guerilla leaders who attended a peace conference in the south, and his demise was a tremendous shock to Costa Rican society.

However, the entire Embassy community was on heightened security alert. The RSO and his staff were checking school buses; homes received special evening guards. We all inspected our cars with under-vehicle mirrors in the morning for bombs. Overall, the Embassy doubled the security for all US Embassy staff.

Q: And were Costa Ricans' relationships with Nicaragua, during this period—because this is the period when the Sandinistas were there—were those relations good or was it tense along that border?

WILLIAMS: It was, I'd say, tense because of the Contras.

Q: And the Contras were going back and forth across the Costa Rican border as well?

WILLIAMS: Well, we didn't know then, but apparently they were. As history played out, with subsequent news reports, that's absolutely true. They were operating along the border in northern Costa Rica.

Q: OK, but you all weren't aware of it?

WILLIAMS: Yeah, at the time. There was a lot of suspicion, but we didn't know.

Q: The mission was also doing work with the national parks and ecotourism (tourism of ecological interest), is that right?

WILLIAMS: I don't remember if we were involved. I don't think we looked at ecotourism at that point in time. We were primarily focused on non-traditional agribusiness and manufacturing.

And eventually the groundwork that we initiated, to create the conditions for a more open, enabling business environment was very important for Costa Rica's strong economic growth during the 1980s to today. For example in the late 1980s, Intel opened one of their largest off-shore factories outside of China. That was a big breakthrough for Costa Rica when Intel went in. There was already a rapidly growing light manufacturing, assembly and sewing operations, but Intel was a huge breakthrough, and gave Costa Rica a high profile in the world of global investment.

SPECIAL NOTE:

Intel & the Signaling Effect

The "signaling effect" is well recognized and appreciated by investing companies. Intel had conducted in-depth due diligence before choosing a new location, thus paving the way for other investors to follow the corporation's lead. The news that Intel had decided in favor of Costa Rica made international headlines⁵ and immediately put Costa Rica on the site maps of companies around the world in technology and other sectors. With the Intel announcement, the Costa Rican media began to focus coverage on foreign investment matters, featuring Intel, other specific investors and projects, and overall FDI and exports. The increased flow of information generated by the media helped establish the importance and benefits of FDI in a country like Costa Rica.

Overall, the principal growth was in the light manufacturing, garments/apparel and high value export agricultural exports (cut flowers and ornamentals). Associated with this business growth, tourism also began to rapidly expand, as Costa Rica became a high profile destination due to its great natural beauty, and we saw the beginnings of what eventually developed into the huge growth in ecotourism.

Q: OK. Again, this all sounds like a very positive experience.

WILLIAMS: It was a tremendously positive experience, and I had the pleasure of working with some exceptional colleagues, including Frank Latham, Kevin Kelly, Carlos Torres, and Tom McKee and many others. The situation was ideal in terms of our level of engagement and the superb collaboration with the GoCR and the business community, the great satisfaction of designing and managing a diverse project portfolio, and results that we achieved during those years. Carlos Torres was an exceptional colleague and after a couple of years at the Mission, he became a key executive with the GoCR and the local business community, including serving as the director of the Costa Rican Export Promotion Agency, the first time that an American held that position. Later in his career, he was a co-founder and CEO of the CARANA Corporation, a highly successful international development consulting firm.

Special Note:

Then in 2009, I was very grateful that Carlos came out of a “young & early” retirement to join me at the Peace Corps during the Obama administration, where he played a key role as the architect of a comprehensive management assessment of all PC operations. It was in essence a blueprint for growing and strengthening Peace Corps over the next four years. This became the platform for PC’s operating plan that we presented to the White House and the key committees in Congress. He then was appointed as director of the PC’s Latin America and Pacific region, and during the transition he served as PC’s Deputy Director.

Q: As the mission grew, again, did the FSNs (Foreign Service Nationals) play a significant role in the mission in that period of time? Or when it grew so rapidly and the number of Americans increased, I’m wondering if the FSNs became a bit more marginalized over time? Because at one point, when I was there, the mission was very small, and the FSNs played substantial roles.

WILLIAMS: You know, it’s interesting question. I need to reflect on who were the prominent FSNs at the Mission, compared to Honduras or Haiti, for example, where we had very prominent FSN staff.

Q: Well, some of the names that I can recall during my period in municipal development was Flora Ruiz— They were quite strong.

WILLIAMS: Yes, Flora was still there, as was Victoria Ramirez, terrific colleagues.

Q: OK, is there anything else about Costa Rica that you would like to talk about?

WILLIAMS: Well, I would say it was a landmark success story for USAID, because we were so highly regarded, well connected, and respected. Of course, we had a substantial annual budget, and that provided the resources that allowed the Mission to be both innovative and involved in most of the key sectors of the economy.

Q: And relations with Washington were good as well?

WILLIAMS: For the most part. Obviously, Dan was a strong, determined, forceful leader, and he worked hard to secure the support of the Latin America Bureau for our strategy. (chuckles). It was the era when mission directors enjoyed broad delegations of authority, and wide latitude for project design and implementation.

Q: Right. This was after the period in which the delegations were expanded.

WILLIAMS: Yeah.

Q: Did Washington have to approve the local currency programming, or was that completely at the mission's discretion?

WILLIAMS: I don't recall that AID/Washington exercised any oversight regarding the management of the local currency. The standard program/project oversight was exercised by the LAC Assistant Administrator, through the usual the DAEC (Development Executive Assistance Committee) review process.

Q: So it would've been discussed in general terms when the ESF program was approved. Because it would have indicated how the funds would be programmed. So, 1986 came, and you were selected to serve, for the first time, in AID/W headquarters.

Latin American Bureau, Director, Office of Private Sector Development (1986 – 1989)

WILLIAMS: Yes, I was asked to consider moving to AID/Washington to head up the LAC private sector office there.

At that time Peter Bittner was the Director of the Latin American Bureau's private sector office. He was an outstanding leader and a visionary who had created an innovative HQ strategy, and provided superb assistance to the field missions.

And by that time, of course, I had a great deal of familiarity with most of the USAID private sector programs in the region. I looked forward to working with the DC staff and the large cadre of private sector officers throughout the LAC region.

Q: Right. Now, one of the questions I remember being asked was just how assignments happened. I assumed you were contacted by Washington and then asked if you wanted this job. Was there a formal bidding process (chuckles), or was it all kind of just done through informal discussions? Because I remember it being kind of informal discussions, and then suddenly, you get assigned.

WILLIAMS: Well, where were you then, at that time in 1986?

Q: I had moved to the Africa Bureau.

WILLIAMS: Did I bid on the LAC job? You know, I don't remember, to tell you the truth. (chuckles) It was either Dwight Ink, or Dwight Johnson as I recall.

Q: Dwight Ink would've been the assistant administrator, Malcolm Butler, was the deputy. And the director, was it Dwight Johnson the head of DR?

Malcolm was part of a dynamic tandem couple, with his wife Leticia "Tish" Butler. Tish was an outstanding officer who later attained senior USAID positions, both in field missions and AID/W. Was the Mission Director, and as Representative to the Asian Development Bank. After the fall of the Soviet Union, Malcolm led the team that created the NIS Bureau (Newly Independent States – later Eastern Europe & Eurasia bureau). He was the ideal officer for this assignment due to his vast USG experience, serving: as Mission Director in 3 USAID missions, in senior positions in AID/W, on the staff of the National Security Council, and in the Office of Management and Budget.

Q: OK, so they pulled the private sector out of DR and created a special office? So that was a huge expansion then of the profile of the private sector, for lack of a better—

WILLIAMS: Yes, we built it up, and I picked up five or six people. Also, I had a special consulting contract that provided short-term technical assistance in AID/W and to the Missions.

Q: And you had direct hires? Four or five direct hire staff? And a contract for short-term consultants?

WILLIAMS: Yeah, the special contract was one of the things I recommended as an essential resource at the time. I don't remember which firm had the contract, but perhaps it was DevTech Systems, Inc.

Q: DevTech.

WILLIAMS: Yeah, right.

Q: And you were helping missions develop their private sector offices and develop programs?

WILLIAMS: The scope including developing strategies, projects/programs, troubleshooting. We had a large group of private sector offices that met twice a year to share ideas, and lessons learned.

Also, I did a number of consultative TDYs (temporary duty assignment) with the missions. I remember going down to work with the missions in El Salvador, Honduras, and Guatemala.

Q: OK, so with most of the effort in Central America and then the Caribbean with the Caribbean—because the Caribbean Basin Initiative was still a key policy initiative of the USG.

WILLIAMS: Yes, but at the same time the Administration was developing the new policy initiative, the “Enterprise for the Americas”.

Q: And to what extent were the South American countries engaged — Were they doing as much private sector work in Peru and Bolivia?

WILLIAMS: A couple. Peru, Ecuador, less so in Bolivia. And in the Central American region, Panama had a large private sector portfolio.

Q: So this was now a separate office in the Latin American Bureau? Did that mean you now got involved in a lot of interagency work—

WILLIAMS: Yes, I did, it was a key part of the job.

Q: — on behalf of USAID in Latin America?

WILLIAMS: Yes, we worked quite a bit with an impressive official, Larry Theriot, at the Department of Commerce, who was the Director of the CBI office. He was the top-gun on private sector development in the Caribbean Basin, very influential within the USG interagency and with the US business community. Commerce was a lead agency in the CBI framework, and he had a large staff working on all trade and investment issues in the region.

We also worked closely with the Caribbean-Central American Action Association, which was an association of all the major private sector associations (including the entities that AID had helped support) in Latin America. Peter B. Johnson was the President of CCAA, and he created an important annual Miami conference on the Caribbean, that became the most important event in the region, convening the presidents, senior cabinet officials, and local corporate executives from across the region. Keynote speakers were usually a USG Cabinet Secretary, prominent Fortune 500 executives, and of course the leaders of the region’s nations.

Q: I remember vaguely about this big conference that used to take place, in Miami every year.

WILLIAMS: Yes, it continued for maybe 20 years. It was the most prominent showcase for the CBI in the Western Hemisphere.

AID played a prominent role in the conference. State Department sent a senior spokesperson, usually the assistant secretary would go. Obviously, the AA for Latin America had key speaking slot, along with Commerce, Treasury, OPIC, USTR, etc. It was the entire interagency on display and fully engaged. It was top priority for me every year because our host country partner organizations were key players under the CCAA umbrella on a wide range of activities regarding export and investment promotion across the region.

Q: OK, and it was all promoting economic growth, private sector development—

WILLIAMS: Yeah, the CBI and eventually Enterprise for the Americas. We were very active. We were one of the lead agencies.

Q: And Enterprise for the Americas was—I don't recall that. That was out of the CBI?

WILLIAMS: It was the next iteration brought in for developing countries in South America.

Q: Was that then George H.W. Bush?

WILLIAMS: Yes, it was a principal trade initiative of his administration.

Q: And that, you said re NAFTA—

WILLIAMS: That led to NAFTA.

Q: OK. Were you involved with the trade policy discussions within the interagency?

WILLIAMS: Yes, very much so because we were a big player. We had huge budgets in the region. And we were engaged in a lot of innovative programming.

Further, we had extraordinarily good contacts across the countries with both the political leadership, and with the private sector leadership. So we had a prominent seat at the interagency policy table.

Overall, I spent a lot of time on interagency work, and also worked with American firms that were interested in investing in the CBI region. I led or co-led a number of business delegations to the region. In addition, we participated in all official visits made by the presidents of the region's nations. This included our on-going participation in NSC meetings on trade and investment policy

Q: And again, a lot of this throughout this period was the big ESF cash transfers to Central America, and the policy agenda and the local currency programming, much of which was for private sector development related to that.

WILLIAMS: Yeah.

Q: So you were heavily involved in this. Your CV (curriculum vitae) refers to being co-chairman of the executive branch of the CBI operations committee. So that was, again, just a part of the interagency group, managing the Caribbean Basin Initiative?

WILLIAMS: Yes, in tandem with both Commerce and State. My key counterparts at the time, as I recall was Larry Theirot - Commerce and Donna Hrinak, State's Deputy Assistant Secretary for Central America.

Q: Was there a strong consensus within the interagency group on the private sector thrust of the Latin American programs?

WILLIAMS: Yes, very much so. It was strongly supported by a Republican administration. Very much so.

And because USAID had significant budgets, we had a voice. Further, we benefited greatly from the dynamic advocacy of our private sector strategy by the USAID Administrators of that era, Peter McPherson and Alan Wood.

Q: Were there any issues with the State Department on any of this?

WILLIAMS: There were cases when we had significant disagreement and bureaucratic battles regarding ESF. However, it was a level playing field, because we were an independent agency and our political senior leadership was well-connected at the White House, so our voice was heard on key decisions. In most of the cases, the State Department set the ESF levels, and USAID determined how these funds would be projectized.

This was the era when we allocated ESF funding to South America based on the number of hectares of coca that were eradicated. That was a key factor in the funding formula. That was certainly a special era. (laughs).

Q: Did you ever get involved, or was it purely mission business, on whether disbursements would be made—the dollar disbursements?

WILLIAMS: On ESF?

Q: On the ESF.

WILLIAMS: No, I was not a participant in that process. The State Department managed that process, and it involved the relevant DAS, the Ambassador and our Mission Director.

The process required very careful coordination. USAID had played a key role at that time due to the stature and experience of our AA, Dwight Ink. He was very powerful, a legendary Civil Servant, with experience dating back to the Eisenhower administration. He had held senior positions in every Republican administration since the 1960s, and was well connected with the White House. So he pretty much won most of the policy debates. He very seldom was rolled on policy and budget issues. (chuckles) He was one of the most powerful AAs I've ever seen in government.

Q: Because he knew how to work the bureaucracy?

WILLIAMS: He was a presence. He was the most highly decorated civil servant in the history of the U.S. Government. His reputation was based on the key roles he played in the Alaska earthquake reconstruction program, and the Navy's nuclear submarine program, as a senior staffer to the famous Admiral Rickover.

SPECIAL NOTE: Iowa State University - the Daily (May 2010)

Eisenhower was the first of seven presidents for whom Ink worked. In addition to playing an integral role in the AEC, Ink helped to create the Department of Housing and Urban Development, deconstruct Community Service Administration and rebuild Alaskan communities shaken by the 1964 earthquake. A few years ago, the National Academy for Public Administration named Mr. Ink as one of the 20 all-time federal civil service leaders.

Q: Didn't he try to put in place kind of a massive, modern evaluation system for the bureau, or some kind of a tracking system to be able to understand the impact of how the dollars were being used?

WILLIAMS: Yes he did because he knew that was critical to our relationship on the Hill, and within the interagency.

Q: And he was one of the early leaders in that effort, although he was mocked, as I recall, for doing it. Although ultimately—

WILLIAMS: He was. Ultimately he was right.

Q: Ultimately he was right.

WILLIAMS: He was clairvoyant in my view, because he was aware that this type of information would be critical for presenting to the Hill and the interagency the results of the USAID assistance programs.

I enjoyed working with Dwight because he supported our private sector strategy, had an unrivaled understanding of the federal bureaucracy and how to achieve his goals accordingly, and under his direction the LAC Bureau was a respected and key player in the interagency process.

When I attended a principals meeting in the NSC (U.S. National Security Council), his voice was heard. (laughs) If he went over to defend a position, you could rest assured that even if he did not win in the debate, his position was going to be heard. (laughs)

I can see him now, in my mind's eye. When we briefed him for a NSC or other White House meeting he demanded detailed information. He always asked an exhaustive array of questions.

Q: Can you give an illustration of the kind of issue that might have been that he would have to take a strong stand on?

WILLIAMS: Well, whether or not we were going to disburse ESF to a country that had not met all the conditions precedents.

Q: Right, and he would argue against doing that.

WILLIAMS: No, he would argue that we should in some cases. You know, it depended on the context and US interests. To illustrate this, let's consider the case of Bolivia. As an example, let's say that the GoB's agreed upon target for 1981 for coca eradication was 20,000 hectares. And let's say that the GoB managed to eradicate, 19,200 or maybe 15,000, right? Perhaps he would opine that perhaps we should disburse due to several key policy or development goals. Clearly there would be push back, because there were several "hard-liners" in the USG during those days due to the obvious importance of the USG's "war on drugs" in the Andes region.

And in many cases the conventional wisdom was: "No, not one dime until they hit this specific target!" Occasionally I saw him change this decision in some instances by making a strong argument that a disbursement was in the USG's best interest policy wise.

Q: But on the economic reform agenda?

WILLIAMS: Well, that was the economic reform agenda, because those resources, you know, were going to be provided for economic assistance. So that was the battleground. Because somebody, you know, the hardliners at the State Department and in the White House were powerful and persuasive. The key departments were of course, State, DOD and the drug czar in the White House. Many times it was predetermined that the USG was going to insist on full compliance, and the hard liners were typically the above, influential players. Nevertheless, Dwight would, when he believed it necessary, insist that this was not the appropriate decision, due to the USG's interest in moving forward the economic assistance agenda. As you know the ESF disbursements were predicated on compliance with those conditions.

Q: Yeah, I was thinking more that, if a reform item was an economic policy issue, and a country hadn't complied with it, I suppose that would be—

WILLIAMS: Depends on what it was. How high-profile it was, what has been the history of negotiations, what was the advice from the ambassador and the AID mission director.

So, as you can see, his briefings were of the utmost importance, and although he was demanding of his staff, you could not ask for a better advocate. (chuckles)

Q: OK, gotchya. Probably, that was when they stopped inviting AID to meetings. (chuckles) He was too good an advocate.

WILLIAMS: No, no. They couldn't stop him. (laughs) He was going to be at that table. Yeah, those were the good old days.

Q: Yeah, it sounds like it was a very exciting time with a lot of stuff going on and a lot of resources.

WILLIAMS: And a lot of influence. We had a voice. Our various agency partners never proceeded with a private sector initiative policy or project idea without consulting with us, the Latin America Bureau.

Q: And this would have been a period that had — Much of this was the George H.W. Bush period, right? So Colin Powell would've been the Secretary of State as well? Or was he NSC, no?

WILLIAMS: it was during the Reagan and Bush administrations. The Secretary of State was George Schultz at that time.

Q: And he was obviously very private-sector oriented.

WILLIAMS: Very much so. And also Peter McPherson, the Administrator, was a strong advocate, and he enjoyed a very good relationship with the Secretary.

Q: Right. OK, so you did that for three years then, right in that office?

WILLIAMS: Three years, yeah.

Q: Now, so you left in 1989?

WILLIAMS: Yes, I was selected to be the next Mission Director for the Regional Mission for the Eastern Caribbean, based in Barbados.

Q: To go to Barbados as the mission director, to run the Caribbean program.

WILLIAMS: I started there as the Reagan administration was ending.

WILLIAMS: So when I left AID/W in 1989, that was the beginning of the Bush administration.

Q: Ah, yes. OK, right. So you built up the office and it was a well-staffed and key player in Washington for the Latin American Bureau? Did any of the regional bureaus have an equivalent?

WILLIAMS: Africa.

Q: Were they part of their DR operations?

WILLIAMS: I don't remember. But I do recall that the DR office in Asia had a significant private sector development staff.

Also, there was another Bureau that played a major role in the Agency's private enterprise strategy, and that was Private Enterprise Bureau: PRE.

Q: Right, yes. Absolutely. That was Elise (R.W.) DuPont, right?

WILLIAMS: yes, Elise DuPont was the first AA and launched the Bureau during the Reagan Administration. As a new entity in the USAID bureaucracy, the PRE Bureau played a leading role in shaping the Agency's private sector development policies and program directions.

Q: Yes.

WILLIAMS: The PRE Bureau set the policy framework for the Agency's private enterprise development strategy and programs. Given that the LAC Bureau had the Agency's largest private sector program portfolio, by definition we became a target in the policy and budget deliberations regarding private enterprise strategy and programs. (chuckles) So I spent a lot of time presenting and negotiating our strategic approach and implementation methodology with my PRE counterparts.

Q: Right, because they probably would've liked to have just take you and all of you staff.

WILLIAMS: That's right. There was some thinking along those lines, "let's just move the LAC staff under the PRE umbrella"

However, Dwight Ink wasn't in agreement with that idea, obviously. (laughs) So we were never at risk from that standpoint. On a parallel basis, as you might remember, the PRE team was successful in recruiting several high profile "Wall Street types", who provided their expertise in creating new approaches to private enterprise development in developing countries.

Q: Yes.

WILLIAMS: And that was the era when AID set targets for two privatization initiatives in every recipient country, created new venture capital funds, and promoted the

development and/or strengthening of national stock markets. Under PRE's direction, the Agency launched several new mandates and initiatives, all seeking broader private enterprise engagement in international development.

One very interesting event that took place during that era was a USAID hosted global private sector conference out in Tysons Corner (Virginia). At the conference, Administrator McPherson convened American and foreign corporate business leaders, investment bankers, all USAID private sector officers, White House staff, senior officials from the USG foreign affairs departments and agencies, AID's development partners (contractor firms and NGOs), etc. It was the first such conference in terms of the magnitude and participants---it sent a strong message that USAID was open to broad scale engagement with the business world. I imagine that you recall this conference?

Q: Right, yes. And privatization was a—

WILLIAMS: A leading initiative.

Q: It was a leading initiative, right.

WILLIAMS: Yes, and it was perceived by many observers that Latin America was an ideal region to pursue new private enterprise initiatives. I went on a number of exploratory delegations with the new PRE people to Haiti and Central America, to identify new opportunities for AID support and specific projects. It was an exciting and interesting period.

Q: Yes, yeah. Right. And so they really built up the models and the approaches and things that you all had already—

WILLIAMS: The PRE team brought in a whole lot of new ideas, right: equity capital, merchant banking, and seeking pathways for bringing in the major Wall Street investment bankers. For example, we had several discussions with Merrill Lynch and Lehman Brothers at the time regarding potential joint venture projects (AID, local investors and the investment bankers) in a few countries.

WILLIAMS: We looked at several different types of financing as a part of these, as I recall. USAID had designed a couple of new development finance banks in Costa Rica with LIBOR (London InterBank Offered Rate) financing, so we already had some experience with projects that used innovative financing approaches.

The PRE senior officers brought in a number of outside experts to look at a several potential deals, so the LAC portfolio was interesting and prominent and that led to broad engagement with the LAC missions.

Q: Now if one looked globally, probably Asia would have been the place that could've best bought into the lessons learned out of Latin America. Do you recall whether there

was much engagement in the Asia Bureau? Did they look? Did they come to talk to you at all about what was doing? And did they want to try to replicate?

WILLIAMS: Yes, as I recall, the Asia Bureau also was very active with the PRE Bureau, under the leadership of AA, Henrietta Holsman-Fore. She was a very experienced business executive and a superb leader, who brought great vision and management expertise to USAID. She was of course a leading advocate for broader private sector engagement, and with an extraordinary collegial approach across the Agency.

Q: and this private sector policy emphasis continued under President George H.W. Bush?

WILLIAMS: Yes, it was sustained in the new administration.

Q: I was just curious the degree to which the Asia Bureau was engaged in this major policy and program development?

WILLIAMS: I don't remember precisely, and also in those days AID had a separate Near East Bureau, and we held many discussions with our counterparts and the Mission Directors in Egypt and Jordan.

Q: OK, so just out of curiosity because I'd mentioned that when you left then, in 1989, to go to the Caribbean to be mission director, you left a very strong office. Did the Latin American Bureau, retain a separate office of private sector development given the influence and clout of the PRE Bureau?

WILLIAMS: Yes, we did retain the office.

Q: who was your replacement?

WILLIAMS: It was Lindy Wood, a political appointee, who first came to the Bureau as Dwight Ink's special assistant.

Q: OK, so it remained an office. OK. So then you went down to the Caribbean as the mission director.

Well, maybe you can talk a little bit about that because that was programmed to operate all over the Caribbean and— I mean, how many countries you were working in, how big was the mission?

USAID/Regional Mission for the Caribbean, Mission Director, (1989 – 1991)

WILLIAMS: By the end of 1989 I had worked in AID/W for nearly 3 years, and one cold, wintry evening, my boss, Malcolm Butler, DAA/LAC, asked me to meet with him late one afternoon. His assistant didn't know what the topic was, and I recall being surprised by the late hour. Malcolm asked me if I would be willing to serve as the

mission director in Barbados for the Caribbean Regional Program, based in Barbados. Earlier that year, I'd gone down to post as team leader for a mission management assessment, working with two outstanding AID officers, Patricia Buckles and Steve Wingert. Thus, I was well briefed on the Mission's staff, program strategy and key issues. The MD was being reassigned and, and thus the opportunity presented itself.

WILLIAMS: I was very pleased to be selected as Mission Director for the Regional Development Program for the Eastern Caribbean (RDO/C), my first as MD. Further, I was also delighted to learn that Larry Armstrong was the Deputy Director given his stellar and wide experience in the LAC region. He was an outstanding executive and skilled leader in managing the overall operations of the Mission, no mean feat given the 100+ person staff and the intense daily travel of nearly 60% of our staff. We were an excellent team and we led an enthusiastic and hardworking staff. Our West Indian staff were outstanding technical experts in their respective sectors, represented each of the island-nations and were well connected. We were also fortunate to have on board, an outstanding Mission Economist, Mary Ott, who did a superb job of leading the policy dialogue with the multiple host governments and regional organizations, and has gone on to enjoy a superb career as MD and senior AID official.

Of course I was aware that it was a deceptively large region with multiple responsibilities. The region consisted of 12 independent countries and five territories. We covered nearly all of the countries and dependencies in the Caribbean, including Suriname, Guyana, the Dutch Antilles, the French provinces, the British dependencies, and all the independent leeward and Windward Islands. So the entire Caribbean, with the exception of Hispaniola (DR & Haiti) and Cuba were under our USG umbrella. Further, we also worked with six embassies in the region. That included Suriname, Guyana, Trinidad and Tobago, Barbados, Grenada, and Antigua.

The thing that's interesting about this overseas post is that people always say, "Well, what a wonderful assignment, working in the Caribbean and living in Barbados!" No doubt it is a beautiful region to live and work in, but like all jobs, it has its challenges. This regional post required extensive travel by all of our staff, and I traveled constantly, an average of 2-3 trips/flights per week. What is often overlooked by the casual observer is that each of these independent 12, island nations' governments consisted of a prime minister, a cabinet, and a parliament---so multiple players region wide. (laughs)

Further we had responsibility to serve as the USG representative to the 20 regional institutions. This included, the Caribbean Regional Development Bank, CAREC (Caribbean Epidemiology Centre), PAHO (Pan American Health Organization), CARICOM (Caribbean Community), and the Organization of Eastern Caribbean states.

The other members of the Embassy Country team had similar challenges, depending on how their respective USG department or agency configured the Caribbean region. Probably the most congruent region to RDO/C was the United States Information Service (USIS)'s region, led by Dr. Katherine Lee, a senior FSO, who managed a large regional staff. Dr. Lee was highly regarded in the region, and our respective staff worked closely

together. We benefited greatly from Katherine's extensive knowledge of the region's culture and communications executives (in both the public and private sector), and her strong rapport with both the regional and island-nations PMs. We collaborated on several joint initiatives and programs that created a synergy for USG policy across this complex region.

Q: How did the Mission operate, didn't some of the funding go through the regional institutions and some of it was bilateral?

WILLIAMS: yes, it was primarily a regional program, but we had a major bilateral program—on the island of Grenada. The Grenada program had been launched following the 1983 USG led invasion of the island (overthrowing the military coup leaders and the expulsion of their Cuban allies) during the Reagan administration, and consisted of a major reconstruction program for the island.

Q: You were still trying to build that famous mental hospital.

WILLIAMS: That's right. And let's not forget about the maintenance of the new airport, largest in the region. (chuckles)

Q: So it was a combination. Did you have ESF funding there as well?

WILLIAMS: for the overall Caribbean regional program, we had CBI funding, and then funding under the Enterprise of the Americas. I believe it was a combination of DA and the ESF. But clearly at much lower levels compared to Central America.

Q: Was any of it policy reform-based, cash transfer work, on a bilateral basis?

WILLIAMS: Very little cash transfer. Probably almost *de minimis*. We used DA funds to support the policy dialogue with the countries.

Q: Yeah, talk a bit about the Caribbean program and that mix between working with regional institutions, which certainly is one programmatic approach, and then how you also, in addition, work on a bilateral basis with individual countries? Because that latter approach must've made things much more management- and labor-intensive to work.

WILLIAMS: Oh, yeah. Well, had a big staff, but we had to cover the entire region.

Q: And did you have any base offices in any of the individual countries?

WILLIAMS: Grenada—

Q: Grenada?

WILLIAMS: —Yes, Grenada because that was a special program, so we had a rep there.

The other thing I want to talk about when we resume the interview is donor coordination. This became really important in the Caribbean, especially with the constant threat of hurricanes and the related planning and implementation of disaster assistance. An example would be the devastation in the wake of Hurricane Hugo in 1991.

Q: OK, this is Carol Peasley, and we're continuing the interview with Aaron Williams. And it is March 29, I believe.

WILLIAMS: Wednesday, March 29

Q: OK, so, let's get started. And Aaron, I believe where we left off, you were just leaving Washington—to become the mission director for the regional office for the Caribbean in Barbados.

WILLIAMS: Right.

Q: let's continue our discussion about the mission and its program and the kind of work they were doing.

WILLIAMS: as I mentioned previously, another novel aspect of this regional mission was our relationship with the 6 American embassies in the region. Each embassy had a full complement of staff. Each Ambassador was interested in our broad portfolio (the only significant non-DOD resources in the region) and eager to engage with RDO/C. (chuckles)

Q: Did the ambassador in Barbados cover other countries as well?

WILLIAMS: Just the Windwards.

WILLIAMS: So he covered Dominica, St. Lucia, St. Vincent, and Barbados. The Northern Tier Islands (St. Kitts & Nevis & Antigua-Barbuda) were covered by Embassy/Antigua. And then Grenada was a special stand-alone, in the aftermath of the U.S. invasion of Grenada and being the focal point of a significant amount of U.S. assistance.

Q: But you oversaw the program in Grenada.

WILLIAMS: The aid program, yes, and I had a rep (representative) who reported to me in Grenada.

Q: Who reported to you.

WILLIAMS: Right, yeah.

So it was quite extraordinary, because we also covered the Caribbean Development Bank, which was based in St. Lucia. We had the Organization of Eastern Caribbean States,

which was the Windward Islands primarily. And we had CAREC (Caribbean Epidemiology Centre), the regional office of PAHO, which was based in Trinidad and Tobago. And then of course we had CARICOM (Caribbean Community), which was based in Guyana, the HQ of the Caribbean Commonwealth countries.

Q: So were none of the regional institutions based in Barbados?

WILLIAMS: They all had offices there. But none of them were based there, because the idea was to share the regional offices across the Caribbean. Given that Barbados was the hub for all the donors and most of the embassies, the Caribbean leaders desired to spread the jobs and responsibility elsewhere.

So whenever people talk about Barbados and the fact that you were based in Barbados, it sounds very idyllic, right? Except that I was on an airplane 95 percent of the time. (laughs) But on the other hand, you flew from one beautiful island to another beautiful island, right?

Q: That sounds nice.

WILLIAMS: But every island nation had a prime minister, a cabinet, and a parliament. And so literally, we were interacting with hundreds of local and regional government officials, and corresponding power structures.

Q: How much of the program was designated for regional institutions versus national governments and parliaments, or country institutions. Just roughly would've been half-half?

WILLIAMS: Well, let's see. So we had about 30 projects, and we had about a \$250 million portfolio. I would say that the vast majority of the projects were with regional institutions.

However, the key to managing this regional program was to assure each island nation that it was being dealt with fairly and equally under each of the program sectors. So whether it was education or economic growth, or health projects, each Prime Minister's view was: "I want to make sure I get my fair share". Only Grenada, of course, was a separate budget line item.

Q: Right, so a part of your job then was to make sure that the regional institutions treated everybody equitably and that they shared equitably in USG assistance?

WILLIAMS: That's right. And of course, as you can imagine, there was uneven performance among the various island nations. (chuckles) So there was always some debate as to whether or not they were receiving their fair share based on performance.

Q: So you did use performance criteria.

WILLIAMS: Oh, yes. You know, we had the standard Bureau monitoring & evaluation process in place, and used the usual measuring tools for periodic evaluations and project reviews. However, I really spend a lot of time working with the regional organizations because that was just more efficient.

The one project that I invested quite a bit of time in, but unfortunately without any significant result was a proposal to the Inter-American Development Bank (IDB) to create a special development finance facility for the Eastern Caribbean nations in the Caribbean Development Bank. Historically, the Eastern Caribbean nations believed that they were ignored by the IDB. Jamaica was a member of the IDB, but the other islands could only access IDB funding, sporadically, via the Caribbean Development Bank. My goal was to increase the level of funding for the other islands via a direct, earmarked facility, with a focus on the areas of housing and micro- and small-business development.

Economic diversification was an important goal in our overall strategy, and we were engaged in a number of initiatives that were aimed at trying to diversify the economy. If just take a step back and think about it, their primary export crop, bananas, represented a move toward diversification from sugar and tobacco. But during my time in the region, the United States and the European (Economic) Community was engaged in a trade war over bananas.

So it was quite an important issue for the Eastern Caribbean, because bananas represent a major source of their foreign exchange, especially in the islands of St. Lucia and St. Vincent.

So the tariff wars were always an ongoing, behind-the-scenes issue, whether bananas are going to be able to enter the U.S. market without paying significant duty. And *vice versa* for the major American banana exporters/producers in the European market. So it was a real David vs Goliath situation.

Q: So you had to abandon your Honduras bias.

WILLIAMS: (laughs) That's right. I had to look at it from a different angle, and I learned a lot about the European banana trade.

Related to this banana dilemma, we also had a major agricultural diversification program for the entire region.

We also worked on another major sector, the lead sector, tourism, and tourism development. We invested in training, and the improvement of hotel management. We had strong relationships with the Caribbean Tourism Association and a couple of other organizations at that time, because the tourism industry was, and continues to be the major driver of the regional economy in terms of jobs and generation of foreign exchange revenues.

Q: Was the Caribbean Basin Initiative still in operation?

WILLIAMS: Yes, it was still in operation. However, none of these islands was able to attract companies that could actually take advantage of the CBI. These islands are very different from the Dominican Republic or Haiti or Puerto Rico or the Central American countries. They didn't have the labor force to take advantage of it these special incentives. Further, as members of the British Commonwealth, they had traditionally close trading ties to the European (Economic) Community. .

Q: Right. Did you work closely with other donors, You said that they were based in Barbados?

WILLIAMS: All of the donors were based in Barbados, and they managed very large programs. The major donor countries were Canadian – CIDA, the UK's ODA, the European (Economic) Community. And of course, Caribbean Development Bank, which worked with the World Bank (Group) and the Inter-American Development Bank.

Thus, donor coordination was important, and because it was important, the directors of each of those entities forged outstanding working relationship. It was really one of the best that I've seen, except for maybe in South Africa, which we'll talk about later.

So the head of the British ODA (Official Development Assistance) office, the Director of the Canadian CIDA (Canadian International Development Agency) program, and I had a really close working relationship that became important when Hurricane Hugo swept through the region in 1989.

NOTE:

Hurricane Hugo was a powerful hurricane that caused widespread damage and loss of life in Guadeloupe, Saint Croix, Puerto Rico, and the Southeast United States. It formed over the eastern Atlantic near the Cape Verde Islands on September 9, 1989. Hugo reached category 5/4-hurricane strength on its journey, and after a destructive passage through the Caribbean, it re-strengthened into a category 4-hurricane before making landfall just slightly north of Charleston. As of 2016, Hurricane Hugo was the most intense tropical cyclone to strike the East Coast north of Florida since 1898.^[1]

Hurricane Hugo caused 34 fatalities (most by electrocution or drowning) in the Caribbean and 27 in South Carolina,^[2] left nearly 100,000 homeless, and resulted in \$9.47 billion (1989 USD) in damage overall, making it the most damaging hurricane ever recorded at the time.^[3] Of this total, \$7 billion was from the United States and Puerto Rico, ranking it as the costliest storm to impact the country at the time. Since 1989, however, it has been surpassed by multiple storms and now ranks as the seventeenth costliest in the United States

Fortunately, it didn't hit Barbados, because interestingly enough, Barbados rarely is hit by a hurricane because of the shape of the earth in that part of the world. The hurricanes start, as you know, in West Africa and come straight across the Caribbean, picking up

steam and velocity. But at some point, one hundred miles or so from Barbados, typically the storm, all of the sudden, always shifts north and very seldom hits Barbados.

As a matter of fact, I think the last time a hurricane hit Barbados was in 1650 or 1680. And of course, hurricanes never veer south to the Netherland Antilles or Venezuela.

So Barbados was spared. Using that to our advantage, the Mission prepositioned our teams and resources in the Northern Caribbean. That's where we anticipated that the impact would be the most wide spread, and no doubt lead to a massive hurricane rehabilitation effort.

Q: Did some of your own staff or was it OFDA (USAID Office of Foreign Development Assistance) staff work on this plan.

WILLIAMS: It was primarily our staff, led by John Wooten, the Program Officer, who I sent to Antigua as team leader. John did an outstanding job in leading the team and stayed in Antigua for the entire reconstruction period, without his family, a great personal sacrifice. However, and this is a particularly important point, I want to honor and remember the leader of OFDA's special LAC regional program (based in Costa Rica) for disaster mitigation and reconstruction, the distinguished Paul Bell. I don't know if you ever knew Paul Bell?

He was a truly unique leader. He'd been one of the original Peace Corp directors in the LAC region in the 1960s, where I first met him, and then moved on to USAID later in his career. Paul was a visionary, and foresaw the need for such an office. He was that rare combination of superb strategist and operational leader. He worked tirelessly to create key rapid response – technical assistance partnerships between the USA and the region (e.g. Miami-Dade County Fire & Rescue; Los Angeles Fire Dept; and Fairfax County Fire & Rescue) and created training programs for local counterparts around the region. Paul is deceased, but the office is still in place, providing critical assistance and capacity development to this day!

In planning for Hurricane Hugo, Paul prepositioned himself with his team in Antigua. We knew it was going to be a massive hurricane, and it turned out to be devastating for the Windward and the Leeward Islands, except for Barbados.

So literally, the day after the hurricane passed through, I flew up to Antigua to meet with Paul. As I deplaned, expecting to be briefed on what we were planning to do, he instead said, "Let's get on my light airplane and fly to Montserrat." Because Montserrat, which was a beautiful place, aka, "the Emerald Isle" had been totally wiped out.

Q: Wow.

WILLIAMS: This beautiful, beautiful island had been totally devastated by Hugo. As a matter of fact, Montserrat never recovered. Due to both volcanic activity and the hurricane, the island's economy collapsed, and most of the residents immigrated.

When we arrived there — I don't know if you've ever seen land after a hurricane passes over it? It looks like a desert because everything has been blown away. No remaining foliage. You know, things thrown all over. The hurricane turned this verdant, green island into a desert-like landscape.

Q: Wow. Hm.

WILLIAMS: Interesting enough, the Governor-General of Montserrat—because that was a British dependency, right—was a guy named Chris Patten. Chris Patten went on to become the famous and final Governor-General of Hong Kong.

Q: Yes. And the head of British ODA.

WILLIAMS: That's right, yeah. And so he was the guy in charge that day.

I'll never forget that moment. So Paul and I flew over, but of course, the airport in Montserrat had been destroyed. So there was no control tower to manage air traffic. So we flew in and landed with assistance from on the ground walkie-talkies.

So we met with Chris Patten. He was sitting in a tent on a hill overlooking the harbor. That was the only thing left. And all the donors are lined up there, you know, waiting to see him and trying to see how we could help.

So he gave us his assessment, we compared notes, and then we flew back to continue our assessment of the rest of the islands. With Paul's assistance we refined our initial plan and for immediate relief, and I flew back to Barbados. And that's when the donor coordination kicked in.

After briefing Larry and the Mission staff, I met with the directors of the British and Canadian aid programs, Michael Bowden, and Art Saper. Michael was the head of ODA for the British—a very experienced development guy who had served in Africa and the Caribbean—and Art Saper, another really smart, brilliant, experienced development expert who was the head of CIDA.

WILLIAMS: At first, we attended the donor coordination activities that were being led by the UNDP (United Nations Development Programme). But we were very dissatisfied with the pace of the coordination. And after all the three nations—the United States, the UK (United Kingdom), and Canada—controlled 90 percent of all the resources that were going to be used for hurricane relief and reconstruction.

So we decided to have a rump meeting, separate and apart from the UNDP-chaired meeting. And we decided to go to the new McDonald's restaurant that had just opened up in Barbados. (chuckles) So we went and had a conference in the McDonald's, the three of us.

And it was quite obvious what needed to be done. The British had a destroyer in the region, which had a contingent of British Marines that immediately could be involved in reconstruction activities. Very much like the United States and the Navy Seabees (U.S. Naval Construction Force).

The Canadians had originally built most of the airports in the islands, so they were prepared to do the reconstruction of the airports.

USAID had teams of telecommunications companies working on reconstruction in Jamaica (due to the previous year's hurricane), and I knew that we could move them to the Eastern Caribbean. Further, USAID was the lead donor in the region for agriculture and road construction programs.

So, the 3 of us very quickly agreed to divide up the reconstruction efforts, with the first step being the immediate deployment of the British marines. The Canadians would focus on the reconstruction of the islands' airports, critical for the resumption of transport. And we were going to focus on agricultural rehabilitation and road construction.

And so we called it the "McDonald's Protocol". (laughs)

Q: (laughs) Very good!

WILLIAMS: We then moved to request clearance/approval from our Agencies, and we sent cables to our respective capitals: London, Ottawa, and Washington. We stated as follows, paraphrased: "This is what we want to do. We request the authority to carry out our plans". We received authorization almost instantly. And it became, you know, quite well-known, in those three capital, the "McDonald's Protocol". (laughs)

Q: Very good. How did you present this to the UNDP coordinating team?

WILLIAMS: I don't really remember. (laughs) I am sure we did in a diplomatic manner and in a way that respected the role of the UNDP Director, with whom we had excellent relationships. And of course we immediately started the recovery work.

Q: (chuckles) So did you need to sort of reconfigure your existing programs?

WILLIAMS: Well I reconfigured my existing staff for about six months. Larry Armstrong, managed the major mission activities, and I had another team that worked on reconstruction.

Larry and I were an excellent team throughout our 2 years together, and this was just one major example of how we managed our far-flung empire! We both had terrific working relationships with our Canadian and British counterparts, and that made all the difference in terms of donor coordination and project implementation.

It was unfortunate that we had to dedicate our efforts to hurricane reconstruction, but it was fortunate that we were able to do so in such an efficient way.

Q: How much was new resources, and how much was reprogramming what you had? I'm just sort of curious about the degree to which it's possible to reprogram existing resources.

WILLIAMS: We received some money through special authorities. Pretty significant. But we also reprogrammed, as I recall, the agriculture and infrastructure money through the regional entities. So it wasn't very difficult.

Q: Yeah.

WILLIAMS: Further, we managed to provide equal amounts of funding to each of the affected islands. As a matter of fact, I remember calling around to each of the prime ministers—in St. Lucia, in Dominica, in St. Vincent, in St. Kitts—and quickly reached an agreement regarding our tripartite plan.

Q: In some ways, the fact that you were working through regional institutions made it easier to do the reprogramming.

WILLIAMS: It did. Yeah, it did. And also, I have to say, AID-Washington was very, very supportive. You know, very forthcoming. As was Ottawa and London in supporting the British and Canadians.

Q: Did Paul Bell remain involved in the process?

WILLIAMS: He did. Paul led the OFDA efforts, and he was there probably there for at least two to three weeks, something like that. The role he played was really crucial. He pre-positioned himself; he had a plan of action and designated TA resources; and he also had planes available for us to conduct our rural assessment.

Q: Did any kind of after-action report get done on this?

WILLIAMS: Yes, I'm certain of that.

Q: I'm not sure that I've heard that much about pre-positioning before emergencies, and whether that lesson was learned?

WILLIAMS: Well, I think probably because, most of the time, you're in a country that's going to be hit. So you just have to wait out the storm and then proceed with your plan. I would imagine that there's a lot of advance planning done.

But in our case, because we had a large territory to deal with, we were able to track the hurricane and figure out where our teams could be located, so that we could move

quickly and engage. But we weren't going to be caught in the hurricane, because we had Barbados and Antigua that were outside of the storm's path, at least at that point in time.

Q: You said that hurricane was in '89?

WILLIAMS: Yeah, that was Hugo.

Q: Were there any other big ones while you were there?

WILLIAMS: No, thank God!

Q: OK, so it was September of '89—

WILLIAMS: September of '89 was Hurricane Hugo, right?

Q: And so that was early after you got there. So probably much of your next couple of years at least was devoted to that.

WILLIAMS: A big chunk of the following year was devoted to that. That was the beginning of the new fiscal year, so FY90 (fiscal year 1990) was pretty much dedicated to that.

It was a very satisfying period of my career, having the opportunity to work with amazing leaders like Paul Bell and my ODA and CIDA colleagues, Art Saper and Michael Bawden. We remain, because of that experience, life-long friends to this day.

Q: Yeah. That highlighted the importance of having good field offices and the ability to respond quickly.

OK, is there anything else on talking about Barbados? You were there until 1991?

WILLIAMS: Yes, in 1991 I returned to AID/W, and we'll discuss that later. But first I would like to discuss one other important event that occurred during my time in RDO/C.

It was related to the controversies surrounding job-creation under the CBI in the Caribbean.

Q: Yes, is this when "60 Minutes" investigative report occurred?

WILLIAMS: No, that was a little bit later. That was in—

Q: '92, I think.

WILLIAMS: '92, yeah. But there was a lot of controversy about U.S. foreign assistance going into these islands in the Caribbean. So much so that the House (U.S. House of Representatives) Foreign Affairs Committee decided to hold a hearing—in the

Caribbean—for the first time in its history, and ask prime ministers to present their views in person to the committee.

Q: Wow!

WILLIAMS: (laughs) Yes!

Q: In Barbados?

WILLIAMS: Well there were two hearings, in St. Lucia and Jamaica.

So the entire committee flew down under the chairmanship of Congressman George Crockett. I don't know if you remember Congressman Crockett? He was accompanied by another congressman from New Jersey, who later was highly regarded and became famous in his own right, someone you probably knew well.

Q: Donald (M.) Payne?

WILLIAMS: Donald Payne. That's where I first met Donald Payne.

Q: Was Lee (H.) Hamilton there?

WILLIAMS: Lee Hamilton was not a part of the delegation. However, it was a "who's-who" of the Congress. It must have been 10 members, bipartisan: Democrats and Republicans.

So now, we're going to have two hearings: one in St. Lucia, which was my territory; the other in Jamaica, where the MD was Bill Joslin, and Marilyn Zak was the deputy director.

Clearly this was an unusual scenario, and needed a plan of action that had to include consultation with the prime ministers. Each of the prime ministers were invited to speak to the committee. So the entire AID portfolio was very much under analysis.

Q: Who testified for the USG?

WILLIAMS: Bill Joslin and me. I attended both hearings.

Q: Were local officials involved.

WILLIAMS: Both prime ministers, selected cabinet ministers, and prominent Caribbean business executives.

WILLIAMS: in addition, the committee visited projects. It was a one-week effort in the two countries. Very, very big deal.

And I remember that of the big projects in those days was the Inner Kingston Harbor Reclamation Project, right? Urban renewal was on full display, a showcase project led by a dynamic and brilliant FSO, Sara Frankel, one of Peter Kimm's (the legendary Director of USAID's Housing & Urban Development) finest officers.

So it was one of these moments where you have to really prepare for this major discussion with the Congress. Larry and I spent considerable time strategizing our approach for my testimony, in full consultation with the LAC Bureau leadership.

This was a clear case where relationships matter! Each of the prime ministers, when they testified before the committee, praised the USAID program in these two Caribbean countries. I was of course extraordinarily grateful and pleased with this outcome. Even the prime ministers who had differences with me over some aspects of the USAID program, at the end of the day, when they spoke to the committee they presented a very balanced, reasonable approach, which I was quite pleased with and, in a couple cases, surprised. (laughs)

My consultations also paid off, because prior to these hearings, I traveled to each of the islands and had personal meetings with the prime ministers to share my views and gain insights into their perspective. And clearly I needed to have a sense of what they planned to say, to the extent that they cared to share this with me. (laughs)

And I also remember one other important cultural and political factor that I always kept in mind regarding the leaders of this region. This is a really important piece for the Caribbean. You've got these small, island nations, right? 100,000 to 200,000 people on each island, right? All of these individuals at the time were the leaders who led their nation into independence. The original freedom fighters, if you will, for their islands.

They all had been trained in the UK, most of them were barristers, extraordinarily eloquent and sharp, analytical people. (chuckles) Really, masters of their universe. And you know, people who could, at the drop of a hat, deliver a 15-, 20-minute Winston Churchill-type speech on any topic. So a dialogue with them was always a very interesting exercise.

I mean, I have to tell you, I learned a lot about debate and filibustering and how to size up an individual for a negotiation, by working with those seven or eight prime ministers. They all deserved countries fifteen times bigger than what they were governing, because they were huge intellects. Especially, Eugenia Charles (Dame Mary Eugenia Charles, DBE), of Dominica, and Prime Minister Compton of St. Lucia, "father of his country" for example.

Q: I was going to say, some of them were women.

WILLIAMS: Eugenia Charles was the only woman at the time, yeah.

Q: But she was quite impressive?

WILLIAMS: But she was first among equals — she was the one who had endorsed the invasion of Grenada in consultation President Reagan, to eliminate the Communist threat in Grenada. So she was first among equals, without a doubt. I probably had the best relationship with her, although my relationships were also excellent with Prime Minister Compton (Sir John George Melvin Compton, KBE, PC) in St. Lucia.

So it was a very interesting time. (chuckles)

Q: So did— Just to ask on the hearing, did the legislative affairs people from AID-Washington, did they work with you on this and—

WILLIAMS: Oh, yeah. Of course.

Q: — come down to help at to—

WILLIAMS: Yeah, I'm pretty sure that people from AID-Washington came down. But I can't remember exactly who it was. But I'm pretty sure they did help me. Certainly, we did have great cooperation, because people were concerned about this, you know, this "pioneering effort" by the Congress. (chuckles)

Q: Yeah. I've never heard of that happening again.

WILLIAMS: I don't recall when we had another such occurrence like that.

I think that was a unique moment in terms of congressional interaction. But the ultimate results were that they left with a very favorable impression of USAID's work in the Eastern Caribbean and in Jamaica. And, you know, we got pretty good marks from the Congress at that point in time.

WILLIAMS: And Washington breathed a great sign of relief. (laughs)

Q: Were questions raised about concerns about exporting U.S. jobs? Was that issue raised by the Congress?

WILLIAMS: It was— As I recall—it's hard to believe that was almost 40—30 years ago, wow. It's hard to believe.

All of the issues came up: job creation in the Caribbean, and was this in fact the most effective use of foreign aid.

And each of the prime ministers of course had other views of how foreign aid should be used. I have to say that, in general, they would've preferred infrastructure. As leaders of countries, this is not unusual. But they the prime ministers were respected and acknowledged the value of the USAID strategy, which had been crafted with the leadership of the Caribbean.

And, naturally, the trade issues between the EU and the United States regarding the bananas had to be discussed and debated. Essentially, would banana exports from the major U.S. banana producers (Chiquita and Dole at the time)—the largest banana producers in the world—be allowed duty-free into the EU, and in exchange for that would Caribbean bananas be allowed duty free into the United States market? That was truly, once again, a debate about David and Goliath. (chuckles)

Q: Yeah, right. I vaguely recall a law about all that discussion.

WILLIAMS: Yeah, well, yes given your leadership role in the African Bureau, you no doubt heard about this issue regarding the African nations.

Q: Yes, right.

WILLIAMS: Africa was a big part of that. Africa was a major producer of bananas for the EU market. So the Eastern Caribbean wanted to continue to have access to a slice—a tiny slice of—of that market. Because of their membership in the British Commonwealth they enjoyed duty free or low tariff access to that market. It came down to the Commonwealth versus the big U.S. banana producers.

Q: I think it's an interesting precedent of having that kind of a hearing in the field and letting Congress hear first-hand from leaders in the region.

WILLIAMS: Yeah, much better than the typical CODEL (congressional delegation).

Q: —from a broader perspective. It's something that would probably benefit USAID and others to actually promote that idea, which—although it's probably quite expensive.

WILLIAMS: It was quite expensive. And of course, you could only do that if you control at least one house of Congress. (chuckles)

That's how I initiated my working relationship with Don Payne, which I continued to have throughout his life. As you know he was highly regarded for his leadership regarding Africa and elsewhere in the world. He took up the baton from George Crockett who retired not long after that period.

Q: Yeah, yeah. Well, so you stayed on in the Caribbean until '91, probably late '91?

WILLIAMS: Late '91, yeah.

Q: And then you went back to—

Latin American Bureau, Deputy Assistant Administrator, (1991 – 1993)

WILLIAMS: To Washington.

At that point, Ambassador James Michel was the Assistant Administrator for Latin America and the Caribbean. He made visit to the region, and we of course visited project sites and met with a couple of the prime ministers. During that visit he asked me to return to AID/W and take the Deputy Assistant Administrator, AA/LAC position. Although I was somewhat reluctant to leave the Mission after only 2 years at post, I was delighted to have the opportunity to work for Jim Michel, who had a stellar reputation, and who had a new vision for the Bureau. This turned out to be one of the best decisions of my career because Jim was an accomplished diplomat and leader, a visionary thinker, a superb mentor, a man of great integrity, and it was an honor and privilege to be his Deputy. It was the beginning of what has evolved into a 30-year friendship and outstanding working relationship that has included working together as colleagues or in an advisory role at USAID, the Chair of the Development Assistance Committee of the DAC/OECD, and Peace Corps. I have the utmost admiration for Jim's intellect, leadership philosophy, his unique ability to develop effective teams, and willingness to take a moral stand on the major issues of our time!

Q: And that was sort of shortly— Well, that was before the '92 election, right?

WILLIAMS: Right.

Q: So you were deputy for Jim for—

WILLIAMS: Probably a year.

Q: —probably close to a year?

WILLIAMS: Yes, and so then, Jim, during the transition (U.S. presidential transition of power) was asked to serve in acting roles as Counselor, Deputy Administrator and Administrator.

Q: He was a senior person during the transition.

WILLIAMS: Yes, and then I moved into the acting AA position, as I believe you did in the Africa Bureau during this timeframe.

Q: I was a little bit later.

WILLIAMS: OK, all right.

Q: Because John (F.) Hicks was the AA/Africa—

WILLIAMS: Ah yes, that is correct.

WILLIAMS: So those were interesting times, right? This was the end of the first Bush administration. (Former U.S. President George H.W.)

Q: Yeah, the end of the change, because President Clinton came into office in 1993. In that period before the election — I'm trying to recall, in 1992, whether there were any serious policy issues that arose as part of the campaign—

WILLIAMS: Yes, the issue of losing American jobs due to increased investment by American corporations in Latin America. There was a major debate about the anticipated impact of the North American Free Trade Agreement (NAFTA). This agreement had been signed by President Bush with the leaders of Canada and Mexico, but the President ran out of time, and left the required Congressional ratification and signing of the implementation law to incoming president Bill Clinton.¹[Note: NAFTA]

Q: And how did that relate to the USAID program and the famous CBS “60 Minutes” investigative show?

WILLIAMS: Well, a lot of people got swept up in that.

Q: So, you must've had to deal with that as the deputy assistant administrator?

WILLIAMS: Yes, Jim and I were very much in that.

Q: You had been the private sector officer before!

WILLIAMS: I was one of the main architects of that investment & export promotion strategy! (laughs) Let's put that on the record, right?

Q: Yeah! (laughs) Put that on the record.

WILLIAMS: I had been involved in these types of programs since the mid-1980s.

Q: starting in Honduras.

WILLIAMS: And so I worked with and helped select most of the private sector officers throughout Central America and the Caribbean, right? We were a cadre of USAID officers who worked together in a very collegial manner. There were, perhaps some 10 private sector development officers across the LAC region, and several more in AID/W.

Further, the LAC mission directors were committed to this private sector led strategy, without a doubt. So—although this strategy was praised under the Bush administration, in the heat of the presidential battle the role of the USG and specifically USAID came under attack by the Clinton-Gore campaign (chuckles) along with NAFTA.

Q: Well, NAFTA hadn't started yet, because that was a Clinton issue.

WILLIAMS: Yes, the agreement had not been ratified yet, but we were pursuing similar strategies and goals under the Enterprise of the Americas—

Q: Right.

WILLIAMS: —which was the precursor to NAFTA.

Q: Yes, right. So how, just, you know, for the record, did the “60 Minutes” piece criticize the USAID programs in Central America for attracting U.S. investment and taking firms—basically exporting U.S. jobs to Central America. So how did you all respond to this?

WILLIAMS: So, here we are, caught in the throes of a very heated political campaign, grappling with this really important national issue. We, of course, believed, based on economic analysis supported by leading economists and corporate leaders, that we were contributing to economic growth in the United States in the export sector. The opponents of that strategy believed that we were exporting jobs overseas, right? That debate continues to this day, as you might have noticed,? (chuckles) And no resolution in sight.

Q: Yes, it does! (laughs) Twenty-five years later.

WILLIAMS: That’s right, here we are.

Clearly the nations in Central America and the Caribbean have benefitted greatly from the hundreds of thousands of jobs that were created by American companies and other companies in the region. So there was no doubt about it that there was job growth south of the border.

We also had data that pointed to the linkage between that growth and job growth in the United States. It depends on what side of that debate that you’re on. Who are you going to believe?

So there was not just “60 Minutes”. There was also an exposé, I think, on ABC’s show “20/20” that went down to these countries and surreptitiously filmed conversations between AID officials and potential private company representatives about working in the region. These investigative reports provided on camera conversations with a couple of USAID officers that were very damaging to AID. I recall that the televised conversations presented fairly new or junior AID staff talking with supposed “business executives” about the ease of working in these countries and the lack of organized labor unions.

So we, of course, became the focal point, and that led to the famous “60 Minutes” interview with senior USAID leaders, as the representatives for the Bush administration, including Jim Michel, the acting AA/LAC. I was in the room observing Jim Michel’s interview with Ed Bradley (the late CBS & 60 minutes correspondent/presenter) in the State Department, right? It was a tough interview. I thought Jim did a really good job of representing a balanced picture of this. But “60 Minutes” had their story. This is just the real world of journalism

Q: Yes.

WILLIAMS: interestingly enough, once the election was over, President Clinton and Vice President Gore moved immediately for and became the advocates for the passage by the Congress of NAFTA. (chuckles) So once again, we found ourselves on the side of the angels. (laughs)

Q: Although, didn't the Congress add something to the bill, to the legislation, about not exporting U.S. jobs? Because I vaguely recall—

WILLIAMS: That's right. So as a result, the funding for private sector-led growth projects, and the prominent role that USAID played in this strategy was reduced dramatically in Latin America. Further, the other Bureaus private sector assistance programs were significantly curtailed. From that moment on, the design of, or any potential funding for trade and investment promotion projects was subjected to intense scrutiny, by USAID, the State Department and of course by the Congress.

So we shifted strategic direction. But at the same time, the official policy of the Clinton administration was to support NAFTA and free trade. And so trade and investment projects weren't prohibited, but such projects became much more scrutinized and had to operate under new restrictive legislative terms and conditions.

Q: So the election took place, and then Jim Michel played a key role during that transition.

WILLIAMS: Yes.

Q: As I recall, Brian Atwood came in as (USAID) Administrator in April, or so, of 1993?

WILLIAMS: Yeah, we went a long time without an Administrator, right? And all of the DAAs were serving as acting AAs as I recall.

Q: Brian was initially the undersecretary for management at state.

WILLIAMS: Right.

Q: And I remember that he had been nominated to become AID Administrator by April. Because I remember meeting with him in the State Department when he was still the undersecretary and was going to become the AID Administrator. So he must've come in at some point in the summer.

WILLIAMS: Yeah, I think that's right, sometime during the summer. And then Brian came in, and of course, his first brilliant decision in my view was to identify a group of hand-picked, very experienced foreign policy experts who were nominated for the USAID senior staff positions. These were individuals who had had previously worked

with for many years, primarily in the Senate. I believe that each nominee had served as senior Senate staffers for some of the leading Democratic senators.

it was at that point that he asked me to move over from being acting AA/LAC to head up the executive secretariat.

Q: Did you know Brian before?

WILLIAMS: Never met him before.

Q: He obviously must've been impressed by his early meetings with you to ask you to become the executive secretary.

USAID Executive Secretary, (1993 – 1996)

WILLIAMS: (chuckles) Well, it was quite a surprise to me, this offer, I frankly had intended to move overseas as a mission director. I felt that it was appropriate for me to look to a new assignment, after all I'd been in Washington now through the "trade wars". Time to beat a hasty retreat to the field. (laughs) Just let the dust settle in Washington.

However, Brian was very convincing and I was impressed with his vision for USAID. Also, he talked, I guess, to a lot of people about me —Jim Michel and others—and he asked me to stay on. I believe that I was the first career person to become part of his leadership team. So I agreed to do that.

And, also, to his great credit, and something that I will always appreciate, I told him that if I was going to take that job, I wanted to remake the executive secretariat function in AID. I wanted to create an office that would be similar to, would operate as efficiently as, the Executive Secretariat function (offices) at State and the NSC. I thought that was the appropriate direction to take, and he agreed. And of course, most importantly, he agreed to provide the budget and staff to carry out my plans.

In that vein, he gave me the authority to select any officer that I recommended to be my deputy.

Q: Right, and do you want to tell us who you brought in?

WILLIAMS: And I was very astute, and selected Toni Christiansen-Wagner as my deputy. My best decision of that epoch. (chuckles)

Q: Because the—

WILLIAMS: it wasn't an easy decision to make, by the way. The bureaucracy didn't want to assign Toni, an outstanding and highly regarded FSO, to the ExSec office. She was one of my most outstanding LAC colleagues, a terrific leader, a very wise manager and mentor to her staff, and was very savvy in managing interagency relationships.

Q: What was she doing at that point?

WILLIAMS: She was then the director of the Central American office. Further, she was also the lead person in the demobilization of the insurgents in Central America. She had extraordinary experience in Nicaragua and El Salvador in leading our demobilization development programs in the region.

Q: This was the Contra armed units?

WILLIAMS: the armed combatants included the contras, and the FMLN in the aftermath of the Central American wars. USAID and State had designed major development projects to address the need to reintegrate these soldiers back into society.

These demobilization efforts always included a component for the reintegration of the demilitarized forces into civilian life: training, economic opportunities, *et cetera*. Our activities were also geared to provide a pathway for democratic political discourse, and ideally their participation in the electoral process. And this is precisely what happened with the FMLN (Farabundo Martí National Liberation Front) in El Salvador.

Due to Toni's lead role in the above efforts, I realized that it would be tough for the Latin American Bureau to relinquish her. But I was adamant that I wanted to have the best person that I could find to be my deputy for what I considered to be a monumental task.

Q: Right, because initially, the executive secretariat sort of managed the—

WILLIAMS: The paper flow.

Q: The paper flow. And that was a narrow function. And you wanted that function to expand to—

WILLIAMS: To be a true Secretariat, modeled on the State Department and the NSC, to provide a lead role in managing all affairs for the Administrator.

And, Brian of course, because he was experienced with this mode of operation at the State Department, thought that was a good idea.

Q: OK, so you had Toni focus on the front office's operations, paper flow, etc.?

WILLIAMS: (laughs) No, I wouldn't say that. We restructured the operations for the entire ExSec office, and it was a team effort. She was a tremendous colleague and has been a great friend over these past decades. I admired both Toni and Paula Goddard, who replaced Toni in the role a couple of years later. Both of them were extraordinary colleagues, and it could have been a risky career move for them, because this position was not considered a mainstream job at that time. However, in both the State Department

and the NSC, a leadership position in the ExSec office was a career builder, and I was determined to build a similar tradition within USAID.

- I am very pleased to say that the Deputy ExSec jobs turned out to be excellent career moves for both Toni and Paula. Toni went on to serve as Mission Director in Jordan and Egypt. Following her USAID career she was a senior executive with a Middle Eastern based global corporation, and a true pioneer as one of the few female COOs in the region. Paula replaced me as ExSec, and then was selected as Mission Director in Slovakia. Following her USAID career, she has been a senior advisor to the United Nations Office of Drugs and Crime in Vienna, and for the past several years has been a Senior Vice President at the Tetra Tech Corp.

Q: Because they're hidden at USAID, but in some past cases these positions have been a career vehicle.

WILLIAMS: yes, in the past, probably in the 1960s and 1970s, but not in recent times.

So it was a challenging process to develop a new approach for the ExSec Office. Once I was in the job in the job, my first step was to meet with the Executive Secretaries at both State and the NSC to gain their perspective. I was very fortunate in these consultations because I had the opportunity to discuss these important functions and gain the wisdom of two outstanding FSOs who went on to be some of the most distinguished ambassadors and senior officials in the history of the State Department. The ExSec at the NSC was Will (William H.) Itoh, who was a highly regarded FSO and former ambassador, who subsequently became the US Ambassador to Thailand. The ExSec at the State Department was Bill (William Joseph) Burns, who went on to occupy some of the most senior positions in the State Department, e.g.: Deputy Secretary of State, Ambassador to Jordan and Russia. Today they both are well known for their outstanding service to our nation in some of the most important policy and diplomatic positions in recent American history. They were top-notch professionals. They were very generous with their time, really very forthcoming in sharing their views and opinions about how I could approach my new job. Further, from that moment in time we developed close collegial relationships that were instrumental in effectively managing USAID's involvement in the interagency process with both State and the NSC.

Although, as a small agency, we never had the staffing required to fully replicate a State Department-NSC office, Brian was very, very supportive. And I received the budget and was able to recruit excellent staff. However, the key step was that Toni agreed to join me in this crusade, as did Paula Goddard, and that sent a strong signal across all of USAID.

Q: Part of the function was to help manage the interagency process, or USAID's participation in the process.

WILLIAMS: Yes, to manage the paper flow in and out of the Administrator's office.

Q: Right.

WILLIAMS: To coordinate the activities of the various bureaus. To manage the interagency process and, our interaction with the NSC, and other extraneous White House engagements. At the same time, it was important to support and not interfere with the key functions of the White House liaison and her team.

Q: Right.

WILLIAMS: Also, another important reality, and my personal goal, was to recognize and understand that the Administrator would continue to have both personal and professional interactions with his political appointees/senior staff. (chuckles)

Q: Right.

WILLIAMS: This was a critical aspect of my job and my ability to be effective in this role. You have to develop strong relationships and trust. I didn't know any of Brian's political appointees prior to their arrival at the Agency. So we had to bridge that gulf.

And it worked out very well. I have to say, of all his senior staff, I developed excellent productive relationships with 95 percent of them. I had an especially close and productive working relationship with Brian's Chief of Staff, the amazing Dick McCall. A man of great integrity, extraordinary political skill, and in-depth knowledge of the Congress due to his broad experience in senior staff positions in the Senate. In addition to this he has a world-class sense of humor, greatly appreciated by all who worked with him!

Q: (chuckles) I won't ask who the five percent was.

WILLIAMS: (chuckles) very good, I appreciate your diplomatic response.

Q: Right, Dick McCall played an unusual role as chief of staff. He wasn't really involved with management, but he was doing various policy functions.

WILLIAMS: That's right, he was a policy guy. But also, one of Brian's confidant's and an incredibly decent, honorable colleague. And a good friend to this day.

Q: In today's world, when they talk about the role of USAID in foreign policy, a big deal is made about whether USAID has a seat at the NSC and at the table. How did it work in those days with you trying to make sure that AID was invited to the meetings it was supposed to be invited to? Or how did it work? Was that you contacting the NSC, or was it Brian contacting them?

WILLIAMS: Great question, Carol, because that was a big part of my day-to-day duties. At first AID as an agency did not have great access, although Brian of course was well connected at the White House, had great access, because he was widely respected.

However, it's important to note that a significant amount of the NSC's business is done outside of the principal meetings.

And so therefore, an agency must have access for the deputies meetings, and other related meetings. As you would expect, there were a few very strong personalities in the White House who didn't fully appreciate our desire for access. Further, there were other State Department officials at that point in time, who had, I'd say, lukewarm interest in seeing AID fully represented—that would be fair to characterize it that way (chuckles) — So I had to engage in significant interaction with the NSC staff to make sure that we were integrated into the deputies meetings, etc.

For example, if there was scheduled a meeting on the Horn of Africa regarding U.S. foreign policy, I believed that AID should be at the table. Well, a number of individuals in the NSC thought that AID could easily be represented by State, and they would give us a brief after the meeting. Well, in my view that was unacceptable.

Q: Yes.

WILLIAMS: So I frequently fought such bureaucratic battles. I believed that it was essential that Dick McCall, who was our lead person on the Horn of Africa, be in those meetings. And I'd say, that our overall track record was that we won about 75 percent of those battles.

Q: Right. Did you work with the executive secretariat of the NSC to make sure? Were they responsible for identifying who was at the meetings?

WILLIAMS: No, not all the time. It was often the National Security Advisor, the Deputy National Security Advisor, and their various senior advisors and the department heads.

Q: OK, so on Africa, I think Don (Donald) Steinberg was initially the Africa Director, and then Susan Rice subsequently.

Q: And initially, she was working on conflict issues with Tony Lake (William Anthony Lake), who was—

WILLIAMS: That's right. Steinberg was there. — the key was that I had to interact with the regional directors. Another important White House official during this period was Richard Clarke. As I recall he was the Director for all conflict issues, and determined who would attend the deputy and principal meetings.

The Administrator's goal was for AID to be represented in all major meetings at the NSC. I found my success rate was related to the region and our senior person for that region. I'd say that in terms of Eastern European issues, we always had a seat at the table thanks to Tom (Thomas A.) Dine, a well-known policy expert and AA for the E&E Bureau. And I would say the same for Mark Schneider in Latin America.

Q: So Africa was more a problem?

WILLIAMS: Africa was more problematic because there were a lot more players involved in African policy issues, and in most cases, State determined who would attend any given NSC meeting.

Q: At that time George Moose was the Assistant Secretary of State for Africa.

WILLIAMS: Yes, and as I recall you and John Hicks had a positive working relationship with Moose and his senior staff.

Q: OK, I would assume another function was that the executive secretariat would make sure that policy papers were being written and strategy papers to make sure that all the right elements of the agency were consulted and included. Was that another function that you were responsible for?

WILLIAMS: That was a secondary function for my office. PPC (USAID Bureau of Policy and Program Coordination) had the lead role for this area. We had a strong PPC staff, led by Colin Bradford, and in some instances Dick McCall would play an important role.

Q: So, OK. What about on other issues?

WILLIAMS: Well, occasionally I was called on to be a troubleshooter on major issues that came up, including congressional issues. I worked closely with Jill (B.) Buckley, who was the head of our Legislative Affairs Office at the time, and her team.

Brian always provided Toni and me the opportunity to weigh in on most issues, and his approach set the tone for our excellent working relationships across the Agency.

Another advantage that I brought to the job, in my view, was that I was a career AID officer. I had a clear understanding on how any given issue would be received by the career staff and the Missions, and both Toni and I could play a useful role by providing that perspective.

This was also the period, as you might remember, of the major re-engineering initiative.

Q: Yes. Yeah, as I recall, a special task force was set up? It was chaired—

WILLIAMS: It was led by Phyllis Dichter-Forbes under Larry Byrne's direction.

Q: And they wanted to sort of change all of the whole project design and project implementation process.

WILLIAMS: Yes, they did.

Q: Right. Much has been re-engineered again.

WILLIAMS: Much has been re-engineered again. And now, we have a new re-engineering initiative about to be launched at USAID.

Q: OK, so as I recall, there was a fair amount of tension early on between the new political appointees and the career staff and a certain amount of distrust or skepticism on the part of some of the political staff about the—

WILLIAMS: I think that's right. I think it was actually quite interesting, I would say because most of the career staff at AID that I knew, senior staff, were very much Democrat-leaning and were enthusiastic about working with the Clinton administration. But at first, it appeared that the new appointees were skeptical about the commitment of the career staff because, after all, they'd just spent 12 years working for Republican administrations under Reagan and Bush.

Q: Right so you played kind of a bridging role.

WILLIAMS: Bridging role seems fair, yes.

Q: And I think that you helped to change those attitudes, over time.

WILLIAMS: Well, I tried to provide a context. My pitch to the new team was consistently, "we are looking forward to working with the new team, and you'll be surprised, once you get to know us, that the career staff will be your best allies"

At the end of the day, Carol, I think that trust and effective relationships were quickly formed.

Also, I think it's normal to expect this kind of tension given that the bulk of the career staff's careers at that point, 12 years, had been under Republican presidents.

Q: Yeah. Let me ask about another important sort of interagency thing. And we'll talk more about it when we get to your South Africa work. Vice President Gore (former U.S. Vice President Albert Arnold "Al" Gore, Jr.) played an important and broad role in the Clinton administration, and there were two things I recall. First were his bi-national commissions. South Africa was one, but there was also one in Russia, and other countries.

WILLIAMS: Yes, VP Gore's role was to lead the bi-national commissions for 5 countries: Russia, Egypt, Ukraine, Mexico, and South Africa.

Q: And how did that affect you in the executive secretary's office.

Q: Secondly, I recall also that Gore used to host breakfast meetings on the environment. And Tim Wirth, Brian Atwood and folks went to those, but I'm not sure Brian was

included at the outset. Further, this new office, led by Wirth, as the undersecretary for Global Affairs, became more and more interested in traditional development issues.

WILLIAMS: That's right, I had forgotten about that. That's absolutely right, we were engaged in an interesting relationship with this new group.

Q: And that must've had some impact on your work as the executive secretary. Can you talk a bit about those two.

WILLIAMS: When they appointed Wirth, a senator who was a major player in Democratic leadership circles, and a known policy wonk, as head of Global Affairs at the State Department, that created another senior position that was also heavily engaged in AID's traditional lane. And so we had to engage.

As I recall, our head of global affairs at the time was Ambassador Sally Shelton -Colby. Sally was our point person in engaging with Undersecretary Wirth and his team. So we wanted to be sure that Brian and Sally had a seat at the table for these policy discussions with the Vice President and other senior officials in the Clinton administration,

Sometimes we were successful, sometimes not. Our batting average was not bad, but I must admit that the State Department was pretty zealous in protecting their turf. (chuckles) So we had to be equally zealous, and try to make sure we had a voice and seat at the environment policy table.

Q: OK, so a fair amount of your time as ExecSec was focused on the interagency process and coordination.

WILLIAMS: in similar fashion we engaged on a variety of fronts with the (U.S.) Department of Commerce and their foreign and domestic trade attachés. We also engaged with the other key Departments and Agencies who had significant foreign affairs portfolio. That would include: USTR, U.S. Department of Agriculture; OPIC (U.S. Overseas Private Investment Corporation) and TDA (U.S. Trade and Development Agency).

Q: Right.

WILLIAMS: So it was a very interesting and a very intense period of time, those first two or three years of the Clinton administration. We also had the opportunity to engage with the First Lady, Hilary Clinton and her staff on a couple of her international initiatives.

Q: Yes. You probably—I know that—I went to a memorial function for Carol Lancaster yesterday—

WILLIAMS: Oh, really?

Q: On the occasion of the publishing of her last book, it was completed by her son

WILLIAMS: Oh, very nice.

Q: —and there was discussion of that first trip to South Asia that the First Lady made. And Carol Lancaster represented USAID on that trip, but probably the executive secretariat assisted her in planning for that trip.

WILLIAMS: Yes, We were involved in planning and coordinating Carol's trip.

So her son finished the book, wonderful. What's her son's name?

Q: Doug (Douglas) Farrar, and his father was Curt Farrar.

Q: Did your office get involved at all with the assistance coordinators for Former Soviet Union and Eastern Europe?

WILLIAMS: yes, we did.

Q: — or did Tom Dine do that?

WILLIAMS: Well, Tom Dine was the lead person, and occasionally we coordinated his participation in some of the meetings.

Q: Were you involved at all—and maybe this happened after you left—but when Carlos Pascual went over to the NSC?

WILLIAMS: yes, I remember when he took on that new assignment. It was a major breakthrough for AID, now we had a senior person seconded to the NSC, and it started a new, and I might add, critical practice.

Q: So are there any sort of final thoughts on executive secretariat work and management lessons learned or—

WILLIAMS: Well, my most important goal was to assure that USAID would consistently participate in the key policy conversations at the White House and the NSC, the proverbial "seat at the table". I think Toni, Paula and I did a good job in achieving this goal.

I think that we were the pioneers in fostering this bureaucratic tradition, now well – established, that USAID deserves and should have a seat at the table.

Certainly that was the case in the Obama administration. It was no longer an issue or debated. It was assumed that USAID's voice was important in the foreign policy discussions. I've had occasion to speak over the years to most of my successors in the ExSec position, and I think the consensus is that this battle has been won.

We should discuss one other important topic, something that I'm very proud of that we worked on during my tenure as ExSec.

To provide the context, under the re-engineering and cost-cutting measures that were being proposed at that time at AID, there was a concern about funding levels for long-term training and secondments to the Senior Seminar, to FSI (U.S. Foreign Service Institute), to the (United States Army) War College, *et cetera*. Certain senior staff recommended that long term training be eliminated or drastically cut.(chuckles)

So I organized a small group of the senior staff to raise this issue with the Administrator, it included: Kelly Kammerer (the Counselor), Dick McCall, and believe that you were involved, correct?

As you might recall, we met with Brian and insisted that the Agency should not relinquish these coveted positions that were sought out by every government agency. We believed that such a drastic decision would be shortsighted, would send the wrong signal to our most talented officers, we would lose important training & relationship building opportunities, and it would damage USAID's stature within the foreign affairs arena. We emphasized that this was not the appropriate place for such budget cutting. Fortunately the Administrator agreed, and we saved the teaching positions and the student slots at the National Defense College, and the Senior Seminar. The only thing we lost actually, Carol, in that battle, was the long term training positions at various universities---unfortunate but not our top priority.

Q: The university training programs were very important—

WILLIAMS: Yes, I would agree, and didn't you go through one of those programs?

Q: Yes, I did.

WILLIAMS: At Stanford (University), right?

Q: At Stanford, yes.

WILLIAMS: yes, it was unfortunate that lost both the Wilson (Princeton University Woodrow Wilson School of Citizenship and Public Affairs) scholarship and the Maxwell (Syracuse University Maxell School for Public Affairs) scholarship.

Q: And the one at Harvard (Harvard Kennedy School of International and Global Affairs).

WILLIAMS: Yes, of course, at Harvard, Yes, it was really a mistake. But we won the other battle, and you played an important role in that debate.

Q: Yeah. In fact you were probably instrumental in encouraging Brian to also have regular meetings with groups of career DAAs (deputy assistant administrators) to try and strengthen his own outreach to the career service.

WILLIAMS: Yes. I'd forgotten about that. We did.

Q: And I suspect that you were behind that.

WILLIAMS: I was involved, and I also had the strong support of the esteemed Dick McCall. Because the thing is, he wanted you and other people in your position to engage with Brian more frequently. It was clear that Dick was the principal advocate for Africa, first and foremost.

Overall, we should all be proud of this effort regarding senior officer training opportunities. Because, this attempt really caught us by surprise. No one would've envisioned that these training opportunities and great interagency leadership development opportunities would be the target of budget cuts.

I also recall when we convinced Brian to go and speak at the War College for the first time. He was originally skeptical of this, didn't see the linkage to AID's mission, but he soon came to understand and appreciate this relationship.

Q: Actually, I'd forgotten about that. That it really elevated the importance of USAID's involvement in the War Colleges.

Q: There was, before you went to South Africa, the Africa Bureau was dealing with an issue of allegations of quote: reverse discrimination—that a whistleblower, a so-called whistleblower, had raised. And I recall that, and this was probably before you were designated to go to South Africa—the Africa Bureau asked you, Peter Askin, Mary Kilgour, and Jerry Jordan to conduct a management assessment of the Mission.

WILLIAMS: And Peter Askin was the leader of the team.

Jerry Jordan. God bless her. You know, she died recently. She was one of the top management officers in the Agency, legendary actually. I worked with her in the LAC Bureau, and she had gone on to work in the startup of the E&E Bureau. As you will recall she was known as the Agency's premier troubleshooter on management issues.

We were in contact the last six months or so, but I didn't realize she was ill. What a tremendous personality and wise professional!

Q: Yeah, nor had I. But the four of you did this management assessment, and I think that, as I recall, that we wanted it done because of several issues.—

WILLIAMS: What was the reverse discrimination issue, I don't recall.

Q: That we were giving preference (scoffs) to African American groups.

WILLIAMS: In terms of our assistance programs? I had not remembered that until you had raised the issue. Now I remember it.

Q: Because it created as huge amount of work for the Africa Bureau in Washington. We actually had to answer a lot of questions from the Congress, especially from U.S. Senator) Jesse Helms, then chairman of the Senate Foreign Relations Committee.

WILLIAMS: Yeah.

Without a doubt, one of the things that characterized Brian Atwood's tenure as Administrator was his defense of AID as an independent agency. And we were, in the middle of a battle with Chairman Helms of the SFRC, who wanted to abolish three of the foreign affairs agencies: USIS (United States Information Service) and the Arms Disarmament Control Agency (ADCA) and USAID. He ultimately was successful in eliminating USIS and ADCA. In my view, that was a sad day for the USG in that our government lost an independent, public policy arm in the foreign affairs arena.

Q: Right.

WILLIAMS: However, he was unsuccessful in eliminating USAID because Brian Atwood led the battle to preserve an independent development voice in the U.S. Government, supported by President Clinton, First Lady Hilary Clinton, and Vice President Al Gore. That was, I think, one of Brian's ultimate great triumphs. And he paid a price for that.

I was aware of many of the heated exchanges between the committee and Brian, and can attest to the amazing advocacy he demonstrated (within the Administration, on the Hill, and in public forums) for maintaining an independent agency for all the right reasons. His finest hour.

Q: OK, this is Carol Peasley. It is April 4, 2017, and we're continuing our interview with Aaron Williams.

Before moving on to talk about South Africa, however, maybe you'd like to go back to one rather big issue that I know we all grappled with in the early days of the Clinton administration. And this could have been partially while you were in the Latin America Bureau and partially when you were in the (USAID) Executive Secretariat.

But that was the need to close out a number of AID missions around the world. The operating expense budget was very tight, and the new (former USAID Administrator Brian) Atwood regime decided to close out 20-plus AID missions around the world. I am wondering if you can talk a little bit about how you saw that process, and how it worked, and whether there were, you know, issues and lessons learned associated with it?

WILLIAMS: OK, I think, there are two aspects to that I think are really important. I'm sure you would agree. First of all, the very human issue, where many, many people were targeted for layoffs. Because it was decided that limited career extensions would not be issued?

Q: Like in the Senior Foreign Service, right? That was one of the first things they did, that's right.

WILLIAMS: That was the first thing, right? It was a cost-cutting measure. And that was very dramatic because it actually ended up targeting some of our best and brightest officers who got swept up in that.

Q: Right.

WILLIAMS: And I remember, for example, two really egregious examples in the Africa Bureau and the LAC Bureau. Two young FSOs who were highly regarded and clearly future stars.

Q: Yeah.

WILLIAMS: A number of really talented, experienced people were caught up in this exercise that evolved into a crisis. Most of the career senior officers were extremely concerned and vigorously opposed this. But that was a battle that we did not win that day.

Q: When that happened, you were still in the Latin American Bureau?

WILLIAMS: When it was first announced as an initiative, I think so. But I continued to be involved in this issue when I moved over to ExecSec.

Q: So were there discussions with Brian Atwood and the senior staff about this decision?

WILLIAMS: Yeah, very much so.

Q: —about the pros and cons?

WILLIAMS: Pros and cons, a vigorous debate was carried out, a couple of times. However, in retrospect, I don't think people really understood the magnitude of this decision, because it took AID probably 10 years to recover from the situation, due to the loss of most of our middle management.

And you see signs of that today in the AID missions. They still have not recovered, even though there was a major push to create the DLI (Development Leadership Initiative) program and they brought in significant numbers of both mid-career people and also junior people. Clearly this was a major setback for AID.

Q: Yeah, it's interesting that trying to make decisions looking at the short-term benefits versus the long-term costs, and people very seldom weigh those two things equally.

WILLIAMS: And I think it's especially a failure in government. In the private sector, you're very careful and judicious about making decisions that will affect key staff members, or key thought leaders or potential future executives in your organization. Because you realize that's crucial to your future.

In government, because of the wide variety of actors involved in decision-making, the Congress, the Executive Branch, various constituencies, such decision-making can become easily become shortsighted.

So that was the first outstanding issue during this period of time.

The second thing was the issue of reducing the number of missions in the Latin American region. I remember that we had to grapple with the fact that we had AID representatives in large Latin American countries that did not have significant AID budget.

For example, Argentina, Uruguay. And it was interesting in the case of Uruguay and Argentina because, that despite the fact that we did not have an AID mission there, the AID representative did play a fairly prominent role on each ambassador's country team.

I remember that one of the first things I dealt with when I came to Washington as DAA/LAC was an outbreak of animal hemorrhagic fever in Argentina. And the ambassador in Argentina at the time was the distinguished, legendary Terry (Terence A.) Todman. As you can imagine, such an outbreak had the potential to drastically reduce Argentine beef exports, a major Argentine industry.

Q: Ah, yeah!

WILLIAMS: At the time, I'd never met him before. I had heard of him, of course. And so he called me and said, "I want to talk to somebody about assistance on dealing with hemorrhagic fever," a disease that was new to me. (chuckles) And he said, "Can AID help us out?"

And I said, "Well, I don't know what we can do, but I'll work with the interagency to determine, you know, what might be the appropriate response."

So I consulted with USDA (U.S. Department of Agriculture and the FDA (U.S. Food and Drug Administration). I talked to a number of experts in the AID agriculture office. We came up with a plan, and AID played a pivotal role in addressing this situation. As it turns out we were instrumental in assisting Ambassador Todman and his team to assist the Argentine Government in dealing with this outbreak.

We recruited USDA experts and university experts under AID contracts and deployed them to Argentina; it was truly a rapid response.

So that was an example of how we were able to play a major role despite the absence of an AID mission in the country. They had a significant national problem. You can imagine hemorrhagic fever in a cattle-producing country like Argentina. .

Q: And we didn't have any AID staff there either, did we?

WILLIAMS: We just had one person.

Q: We had one person.

WILLIAMS: We had an AID rep (representative), yeah.

WILLIAMS: I think it was Bob Aslin.

Q: That's interesting.

WILLIAMS: So, Jim Michel and I, and our senior staff, including such outstanding leaders as Stacy Rhodes, Norma Parker, Marilyn Zak gave deep thought and analysis to this issue. Would it be wise to shut down this very low-cost operation when we could provide such tremendous policy access and support to U.S. foreign policy?

Q: Right, right.

WILLIAMS: Eventually, we did shut it down. We were under severe budgetary pressure. We had to do that.

And the other thing, Carol, is that we had two regional programs: one in Central America ROCAP (Regional Office for Central American Projects) and the other in the Eastern Caribbean. And so, as I recall, we realigned these offices. First we closed the Eastern Caribbean operation, where I had been mission director, and moved that portfolio to Jamaica.

And then, Terry (Terrence) Brown, then Mission Director in Guatemala, and I agreed to close down ROCAP and consolidate that under the Guatemala.

Q: Right, right. Yeah.

WILLIAMS: So it was a major cost-cutting initiative that we were carrying out.

Q: And I believe that Costa Rica closed out. Was Costa Rica also on that list? I believe, as a middle income country, it was closed down?

WILLIAMS: I think that's right, yeah. We also closed Ecuador, another middle-income country considered.

Q: And Panama, I think.

WILLIAMS: And Panama. Those were three that I recall.

Q: But Panama didn't close. And I don't think Ecuador did either. (chuckles) Or if they did, they re-opened.

WILLIAMS: Costa Rica downsized.

Q: Yeah. And then, it did ultimately close, Costa Rica?

WILLIAMS: It did, yeah. So those were the issues that we were grappling with at that point in time.

Now, of course, in recent years, USAID has reopened the Caribbean office in Barbados. And I believe that Central American programs continue to be managed out of El Salvador. But these were very contentious issues, without a doubt.

Q: They were contentious issues. Right, right.

WILLIAMS: Many of us thought that these were shortsighted decisions that were being based purely on a budgetary rationale, which was important but not necessarily the right way to go.

Q: Yeah, OK. So you were the Executive Secretary until 1996?

WILLIAMS: 1993 to 1996.

USAID/South Africa, Mission Director (1996 – 1998)

Q: '93 to '96. And I think we last time talked about when you went out to South Africa on a mission management assessment with Mary Kilgour, Peter Askin and Jerry Jordan. When you went out to do that, you had not already been designated to become the mission director, had you?

WILLIAMS: Not at that time.

Q: Had there been discussions about you becoming the mission director, or did this prompt your interest in going to South Africa? Just curious.

WILLIAMS: I think it would be fair to say, all of the above.

Certainly I saw the great potential of South Africa and the fact that we needed new direction there. But at the same time, I also recognized as part of the mission assessment—this is one of our principal findings—that the mission had accomplished an

amazing amount of work in assisting the transformation. That needed to be recognized, commended, and not underestimated or overlooked.

Leslie “Cap” Dean, the Mission Director, and his team had done a hell of a lot of great work there. And I’ve always been very much in awe of what they accomplished, appreciative of it and made sure that Cap knew that. This was especially important to all of us during the assessment. As a matter of fact, the assessment team’s view was that Cap and his staff were extremely knowledgeable about the country, were instrumental in shaping U.S. policy, and our goal then was to seek the most effective way to implement the findings of the management assessment. Further, we truly wanted this to be a joint effort between the mission and the team.

Q: Nelson Mandela had been elected in May of 1994.

WILLIAMS: Right.

Q: —I don’t remember when the inauguration was, but some months later.

WILLIAMS: Yeah.

Q: So by the time you were there, it was a majority-led government.

WILLIAMS: Yes, President Mandela and his cabinet ministers were in place.

Q: But the mission was probably still early in the transition of its program to working with that new government. Prior to the election and in line with the legislation, it had only worked with anti-apartheid and civil society groups.

WILLIAMS: Yes, that’s correct. USAID’s strategy was designed to support the anti-apartheid movement that was led by a wide range of NGOs (non-governmental organizations) in the broad South African civil society

Q: And also as I recall, I think the mission had submitted a new strategy just about the time you arrived. Because I think as I recall there were review meetings in Washington that you participated in. And Cap was there. And the whole point of that was how to begin to work with the new government.

More generally, you had spent your entire career in Latin America, and then the opportunity came to go to South Africa.

WILLIAMS: Yes, obviously the mission management assessment opened my eyes to the potential in South Africa, and the ambitious U.S. foreign policy goals given the excitement generated about the Mandela presidency within the Clinton administration. So clearly it was a great opportunity.

Without a doubt, it was my capstone position in AID. Although it would be hard to have a more satisfying assignment than I had in Costa Rica, without a doubt this was of a different level of engagement and magnitude. (laughs)

Q: Yes, right. And who was the deputy director while you were there?

WILLIAMS: Henry Reynolds. As I previously mentioned he had been one of the top education officers in the LAC region for many years, and who before that had been a senior staffer with the Peace Corps in Latin America. The ambassador during the Bush administration had been the distinguished diplomat, Princeton Lyman. Then President Clinton appointed as Ambassador James Joseph, a legendary business and philanthropic executive, former Carter administration official, who had served 4 US Presidents. Ambassador Joseph and his dynamic wife, Mary Braxton Joseph, an Emmy-award winning television journalist and media consultant, were a superb team who skillfully represented the USA, successfully pursued the Clinton administration's foreign policy goals, and developed tremendous relationships with both the GoSA and the greater society.

Ambassador Joseph played a key role in the activities of the Bi-national Commission, co-chaired by Vice President Gore and Deputy President Mbeki, and the Mission served as the secretariat for the BNC.

Q: Right, yes. That is something we do need to talk about, the whole Bi-national Commission.

WILLIAMS: yes, it was a major initiative.

Q: To go back to the beginning — Washington did approve the new strategic approach for the mission?

WILLIAMS: Right.

Q: But that was all prior to the creation of the Bi-national Commissions.

WILLIAMS: correct.

Q: And once the Bi-national Commission was created, one of your challenges was how to manage the Mission's engagement with the BNC?

And I suspect that resulted in some strategic adjustments. Maybe just talk about how you managed it.

WILLIAMS: The Bi-national Commission, which I think in and of itself was a good idea, was led by our brilliant VP, Al Gore, and every Cabinet member and agency head participated in BNC programs to some extent. During my time in South Africa, every

Cabinet member came and participated in the Commission twice a year, except for Janet Reno, the Attorney General. However, senior DoJ officials did work on BNC projects.

One interesting aspect of the BNC was that of course the cabinet departments were primarily domestic agencies, except for State. The principal players included: the White House Office of the Science Advisor, (U.S. Department of) Commerce, (U.S. Department of) Labor, HUD (U.S. Department of Housing and Urban Development) which was led by Andrew Cuomo at the time; (U.S. Department of) Agriculture led by Dan Glickman, HHS (U.S. Department of Health and Human Services) led by Donna Shalala, and U.S. Department of the Interior led by Bruce Babbitt.

This was a high-powered group of prominent, outstanding leaders who were all close allies of President Clinton and First Lady Hillary Clinton.

However, one interesting thing about their role on the BNC was that none of those departments had international affairs budgets. So the obvious focal point of any initiatives that they wanted to carry out in South Africa had to be through the AID budget.

So the ambassador and I, and in concert with Brian, had to figure out what would be the most strategic and equitable manner to work with the other members of the BNC. Because we wanted to handle the BNC in a coherent, coordinated manner, we assumed that USAID's development strategy, which supported the Mandela administration's national priorities, would be the logical program umbrella for the cabinet departments. We wanted to avoid new initiatives being presented that didn't reflect this strategic vision.

So it was a bit chaotic at first coordinating with a dozen cabinet officials in both the USG and GoSA. I decided to present a proposal for BNC coordination to Brian Atwood and Ambassador Joseph. I proposed that AID serve as the executive secretariat for the Bi-national Commission. Following their approval, I presented this idea to Leon Fuerth who was the national security advisor to the Vice President. He agreed with our idea, and secured the approval of the Vice President. So we moved forward on that basis, and that led to a more organized process for identifying and using USG funds for BNC designated projects. It didn't change the level of intensity of the interest of the Cabinet departments in participating in the South African development program. But it made it more coherent.

As a result, I had a lot of interaction during the BNC meetings (2 meetings per year, one in South Africa, the other in DC) with the Cabinet secretaries! (laughs)

Q: Right. And they all wanted money, right?

WILLIAMS: They all wanted funding for their priority projects. That was the bottom line.

Q: Right. And sometimes you could manage to provide them with some resources.

WILLIAMS: Well, my perspective was that we had an approved Mission strategy, and it reflected an interagency reviewed approach for South Africa. So to the extent possible we urged the Cabinet agencies to use this strategy—the focal point being the support of the Mandela administration’s priorities. So we started out with the premise that the strategy reflected GoSA priorities. And we recommended that if any USG Cabinet agency was going to jointly develop with their GoSA counterparts a new project, that such a venture be designed in a way consistent with the strategy.

So that sounds very good on paper. Difficult in the implementation. (laughs)

I had several discussions in South Africa and in Washington DC, during the meetings of the Bi-national Commission, with a few of the Cabinet secretaries, all very powerful, influential people. And some of those conversations should definitely remain off the record! (laughs)

Q: Yes. But you did have to say “no” sometimes.

WILLIAMS: I had to say “no” quite a bit. And I have vivid (chuckles) memories of saying “no” to key Cabinet officials in the Clinton administration. And occasionally this led to reclamas and rebuttals and we had to stand firm in NSC (U.S. National Security Council) meetings on this topic.

I noted with great pride that most of the time, our position was seen as being reasonable, rational, and strategic. However, sometimes, it was reversed for the greater good and our foreign policy.

Q: And I assume that the embassy was helpful to you on this. What was the ambassador’s role in these on-going conversations?

WILLIAMS: I was fortunate because Ambassador Joseph was solidly behind me every step of the way. It was an honor and a privilege to work for James Joseph, truly a great American visionary and leader of great integrity. He became an important mentor, and a lifelong friend. He was always very thoughtful, and faced head on any major issue. He is an exceptional “servant-leader”, and was greatly respected by President Mandela and the entire GoSA. He also had great influence in the White House, and he formed a great alliance with Brian Atwood.

As I recall, the most difficult conversations were with HUD, Agriculture, and the Office of the Science Advisor, because they had very interesting projects with the full support of their South African counterparts, However, upon analysis, we felt that they were not fully consistent with the Mission’s strategy. And so those were long, drawn-out, protracted conversations, always ending in “no” on my part and leading to another reclama and rebuttal and deputy meetings and discussion with Leon Fuerth about the merits of the case.

Q: But Fuerth ultimately backed you up on most issues?

WILLIAMS: In most cases. There were a couple of cases where we thought it was in our interest to agree with this new project, and work out an agreement that would provide AID funding.

Q: Did the South Africans think that when this Commission was created that it would result in additional U.S. Government resources coming to South Africa?

WILLIAMS: Of course.

Q: —as opposed to being a reprogramming of existing USAID resources?

WILLIAMS: Of course. However, the GoSA was very rational.

I wouldn't be surprised if initially the leading officials in all of the BNC countries thought there was a promise of additional resources. In that vein, the funding issue was carefully discussed and presented to the South African government officials by the Vice President's staff in the context that: "as not additional resource but ways of cooperating, enhancing, building on existing programs in the country".

However, there were naturally some new ideas presented once the BNC was launched. (chuckles) . Obviously the (U.S.) Congress was very concerned that this would be a new budget—new budget levels—separate and apart from the appropriation process. So we had the interest of observers back in the Congress on this wide-ranging, free-wheeling international engagement.

There was another aspect of working in South Africa, which I find to be absolutely, really quite remarkable. As you know Carol, in most of our official relationships—bilateral relationships—with the developing countries, and especially where we had in place a large AID program, AID typically took the lead in designing the strategic framework, based on, obviously, country priorities. In that same vein, we often presented that strategy as part of the World Bank-IMF consultative group meetings on specific country programs. Further, we often led the U.S. delegation in those meetings, like in Nicaragua or the Philippines after a major political change and transformation.

But this was not the case in South Africa. South Africa refused to be part of any World Bank- International Monetary Fund consultative group. The GoSA did not borrow money from those entities, although the World Bank had an interesting but small portfolio in South Africa. Consistent with this approach, the GoSA insisted that any donor assistance be provided specifically in support of their strategic plan.

And they then proceeded to manage the bilateral relationship in a new and unique way, something that I've never seen any other country attempt to do. I think it would be safe to say that in the early years of the Mandela administration, the GoSA had more power than any country in the world at that time, including China and Russia, in terms of their

oversight of the bilateral assistance program with the United States despite the fact that the USAID program consisted of a \$1 billion portfolio. And, that was an era when a billion dollars was still a lot of money, before the later Afghanistan and Iraq programs, obviously.

So, the GoSA's unique approach was to call for a review meeting of all donor assistance in Pretoria. Each donor nation was asked to make a presentation of its strategy and programs to the South African Ministry of Planning. This presentation was reviewed and critiqued, in real time, by the South African officials. Simply an amazing accomplishment that was unprecedented for a recipient nation. That was quite a breakthrough.

And I have to tell you that even though, officially, we didn't approve of this process, it demanded that we work with the GoSA in an environment of mutual respect, as equal partners unlike other donor-recipient relationships. I was impressed with their focus and insistence on this approach, their astute management of the process. In the end, despite the consternation of many of the donor agencies with this "new way", I applauded this important, significant move forward for this nation undergoing a major transformation. Just another dimension of the "Mandela" magic and impact!

Q: Yeah. Right.

WILLIAMS: You talk about country ownership: This was country ownership.

Q: Do you recall what kind of issues they might have raised about what we were doing?

WILLIAMS: Oh, I do. I recall it quite vividly because it was an impressive event. First of all, the Department of Planning convoked all the donor agencies and we were assigned a day for each presentation. We all had our turn: the British, the Canadians, the USA, the World Bank, the European Community.

Q: Did donors observe the conversations with other donors, or not?

WILLIAMS: You know, I think we sent observers. But I cannot remember the details. That's a really great question. I cannot remember if we sent observers.

But I can tell you how it was organized. So there we were at the Department of Planning. We were in an amphitheater. It was kind of like the British Parliament, you know, the Prime Minister's remarks? (chuckles)

I made a presentation to the Minister of Planning or his designate, which was, at that time, I think director-general. A very smart, savvy guy who was, you know, a very, very worthy leader for South Africa. We had sent them a preview document prior to the meeting, maybe two or three weeks in advance, that provided our strategy and our recommendations of how to use the resources.

Q: Yeah.

WILLIAMS: And they came up with an issues paper, if you will, of things they wanted to discuss during the review.

So I led off with the overview presentation, followed by sector presentations by each of my office directors. So Steve (R. Stephen) Brent presented the democracy and governance portfolio, which of course focused in a significant fashion, on civil society. Now civil society, of course, during the anti-apartheid era was a platform for, and the major support for the ANC (African National Congress). However, now in the new South Africa, civil society had in many ways now evolved into a “loyal opposition”. (chuckles)

It’s also important to note that one of the most important projects in Steve’s portfolio was the administration of justice program that provided funding to support the GoSA’s DOJ, that was led by the esteemed Minister, Dullah Omar. He was another revered figure, an anti-apartheid activist and lawyer, who eventually became Nelson Mandela’s spokesman in the last phase of his imprisonment. He was determined to transform the national justice system, and USAID was one of his principal partners, under the able project management of Steve and his team leader, the incomparable Luis Coronado.

Q: Yeah. Yes.

WILLIAMS: as a result of our previous strategy, most of the USAID funding was used to support a wide range of non-governmental organizations. That was the first issue.

To continue, my brilliant senior staff made presentations on each sector: Carleen Dei - on housing and finance, a sector where President Mandela had spent considerable time and attention; Patrick Fine – education. Education was a very important sector in our portfolio, and we were heavily involved in higher education, with a major investment in the historically black colleges and universities of South Africa. Margot Ellis presented our small business development programs, with funding for the GoSA, NGOs and a few private banks, all aimed at supporting the national policies for fostering black empowerment. Rick Harber then discussed our economic analysis support project for the office of the deputy vice president—Thabo (Mvuyelwa) Mbeki.

Our presentations led to a candid, in-depth discussion over the next two or three hours with the South Africans. The director-general was joined by his section heads who probed and analyzed and had recommendation. It was a very robust, intense experience.

I am also very proud of my senior staff colleagues, each of whom has had a tremendous career, and who now are at the top echelons of both USAID and the American private sector. It was an honor and pleasure to serve in the South Africa Mission with the above officers.

SPECIAL NOTE:

I would like to highlight the amazing careers of my senior team in South Africa:

Steve Brent, director of the Democracy & Governance office--formerly on Senator Nancy Kassebaum's staff, and during his USAID career had senior positions in both AID/W and overseas. He led the largest office, both in terms of staff and partner organizations that represented a broad spectrum of the South African civil society that formed some of the key leadership in the anti-apartheid movement. Following his AID career he became a professor at the National Defense University, and is currently the Chair of the Economics Department.

Carleene Dei, director of Housing office--went on to become MD in several posts, including living through the Haitian earthquake in 2011, and leading the relief and recovery effort.

Margot Ellis, director of small and medium business office--during her career at USAID served as MD, senior UN official, senior official in AID/W, and currently Senior DAA/Europe & Eurasia bureau.

Patrick Fine, director of Education office--during his career at USAID served as MD in several countries, and wrapped up his career as principal executive at the MCC; and currently President & CEO of FHI/360.

Susan Fine, deputy program officer-- during her career at USAID served as MD, senior official in AID/W, and currently Senior Deputy Assistant Administrator in USAID's Bureau for Policy, Planning and Learning (PPL)

Karen Freeman, director, program office, during her career at USAID served as MD in several countries, and as a senior official in AID/W, currently Assistant to the Administrator for the Office of Afghanistan and Pakistan Affairs.

Rick Harber, mission economist, who led our key economic analysis team and played an important role as liaison and manager of our key project with the future president's team, in the office of Deputy President Thabo Mbeki.

Paul Weisenfeld, RLA for southern Africa--during his career at USAID served as MD in Zimbabwe and Peru. He also held senior positions in AID/W, including: AA/LAC, head of the Haiti Task Team, charged with coordinating relief and reconstruction planning following the devastating earthquake in 2010, and wrapped up his USAID career as AA/Bureau for Food Security at USAID, where he led President Obama's Feed the Future Initiative. In 2015, it was my pleasure to reconnect with him when he joined RTI as a senior executive, and he currently is the EVP of RTI's International Development Group.

Pam White, Executive Officer--she went on to have an amazing career, as a Mission Director and Ambassador in several posts, culminating as Ambassador to Haiti where she led the USG's reconstruction program after the devastating earthquake.

Q: And one of the big questions was, “Why are you still giving so much money to the NGOs and not to us in the government?”

WILLIAMS: Yes, one of the big questions.

Q: Did that lead to any changes in allocations?

WILLIAMS: As I recall, we stood our ground and pushed back, and that only led to changes in the margins. We argued that it was in South Africa’s best interest to continue to support the same institutions that had been ANC allies as part of the democratic transformation. The GoSA reps concluded that this was a reasonable approach, and they were aware that on a parallel track we were clearly seeking ways to support the government’s policies in every sector.

And of course, a lot of these discussions ended up in the press and debated by both print and broadcast journalists.

I found it to be one of the most fascinating exercises that I’ve ever engaged in during my career.

Further, we were engaged in supporting some of the most important organizations in the country, who were in the vanguard of shaping this new, transformed society. One stellar example of such a partner was the widely admired, both in South Africa and around the world, human rights activist Kumi Naidoo. At the time he was the Secretary General of Civicus, an international alliance for citizen participation. Kumi was highly regarded for his leadership in the anti-apartheid movement, where he was arrested several times for violating provisions against mass mobilization, civil disobedience and for violating the state of emergency. Due to his activities against the apartheid regime, he had to go underground before finally deciding to live in exile in England. I had great respect for his wisdom and judgement, and his determination to strengthen civil society as a fundamental pillar of this new democracy. His astute insights and wise counsel were instrumental in shaping our DG programs in support of civil society. Since that period, Kumi has gone on to become first, the Executive Director of Greenpeace, and as of 2018, he was appointed Secretary General of Amnesty International.

Q: Yeah, it’s probably the kind of exercise that should take place in every AID country, actually.

WILLIAMS: Well I think the difference in South Africa is that they had their own strategy. They were determined. And they had brilliant people in key posts who actually were capable of conducting this type of analysis and discussion. Unfortunately, that’s not often the case in some poorer countries around the world.

Q: Right, right.

WILLIAMS: It would be a tremendous burden for the average minister of planning in a small country in Asia or Africa, right, to do this.

Q: Yes. Just out of curiosity, when you were doing this review, did that also involve the revised strategy that took into account the Bi-national Commission priorities.

WILLIAMS: Probably not at that point. I think that was too early.

Q: Right. So that would've been later.

WILLIAMS: Now the other thing that must be recognized was that the South Africans, learned a lot about the details of our programs, in an in-depth fashion. Many of the good ideas that we presented eventually were endorsed and supported by the GoSA. I think that they were surprised to see our collegial and collaborative engagement and participation with the organizations that we funded. No doubt, I think a lot of them had the mindset that this was an oppressive, imperialistic approach to development. I think we changed their minds thanks to this new dialogue and our demonstrated mutual respect for our counterparts.

Q: Yeah. As I recall, some of the new leadership in the Mandela government had come out of some of the NGOs that USAID had supported over the years.

WILLIAMS: Yeah, one of the big challenges in South Africa was that civil society had played a major role in leading up to election of the new government and had been on the front lines of the struggle.

So a number of those leaders went into the administration. So the question posed to the leaders in civil society, was: "how many of you should go into government versus how many should stay outside and make sure that this democracy remains strong". It was a big public debate in South Africa.

Q: Yes, and they're certainly confronting that today. (chuckles)

WILLIAMS: Given the crisis in the Zuma presidency, it's fortunate that there remains in place a strong and determined civil society, and empowered to deal with the crisis of today.

Q: Right. And that I think probably this does further reinforce the importance of maintaining that focus on civil society in those days.

WILLIAMS: That's right. Yeah, without a doubt.

Q: Again, an important lesson learned.

Another strategic question just to ask you about, I know that before you went out, one of the issues in Washington was whether or not we were paying enough attention to

HIV/AIDS (human immunodeficiency virus infection / acquired immune deficiency syndrome).

WILLIAMS: Right.

Q: As I recall that discussion, although we in Washington pushed, I think given the breadth of what the mission was working on, I think everyone agreed that there's a limited range of things that USAID can manage. We would therefore be working on the margins, but it won't be a major initiative.

WILLIAMS: Yeah.

Q: A number of years later, I heard Carlos Pascual who had been the program officer in South Africa in the late 1980s, when he was ambassador in Ukraine, say that the biggest regret of his career was that, when he was in South Africa that he hadn't paid enough attention to the HIV/AIDS issue.

We all recall that Thabo Mbeki, who succeeded Mandela as President, became embroiled in a debate about national HIV/AIDS policy. He was considered as not very helpful in combating the HIV/AIDS epidemic. I'm wondering were there many discussions with the government on HIV/AIDS during the period you were there?

WILLIAMS: Well, I'm really glad you asked that question, Carol. This is a really major point. So had a very broad program, but were not heavily involved in public health, and focused primarily on maternal-child care. At that time we had a very limited involvement in HIV. But our research and analysis indicated that the epidemic was rapidly growing and was a major threat to all South African.

The Minister of Health at the time was Mrs. Zuma (Nkosazana Dlamini-Zuma). She was opposed to utilizing U.S. government assistance to deal with HIV. We offered her, as I recall, \$30 million to work on a strategy led by the South Africans, with support of USAID, CDC (U.S. Centers for Disease Control and Prevention) officials.

It's important to note that I had on my team two experts on HIV, one seconded from CDC (Dr. Jacob Gayle) and another from the World Health Organization. These research experts, both of whom would go on to have distinguished careers in public health, as highly regarded public health leaders, were technical advisors and available to work with the Ministry of Health if called on.

We offered the most flexible terms possible for assisting the GoSA in addressing this health threat, both strategic and funding wise. We wanted to assist the Minister in crafting a new strategy for combating this public threat.

Q: Right. Yeah.

WILLIAMS: We did not know at the time about the Deputy President's antipathy towards the West's approach and perceived domination on this subject. The minister was surprisingly hostile to our entreaties, when we offered to assist in the creation of a new strategy. It wasn't clear if she wanted to have a new strategy. The only productive dialogue we had was with the director-general, who also went on to a global public health expert, and led the WHO HIV/AIDS initiative about four or five years later.

So we decided, OK, even though the minister is obviously not interested in U.S. government assistance, we're going to work quietly behind the scenes because of the magnitude of this situation. I decided to work with the director-general to determine if we could be helpful to her. We had some limited success in bringing to South Africa experts who assisted the Director General, but the Minister never changed her mind, thus our limited role at the time in the public health arena.

Q: Hm. Wow.

WILLIAMS: We tried everything. It just didn't work, because she was opposed to American involvement in this public health issue.

So that was one of the toughest battles that I had in South Africa, and ironically over something that was a major policy area.

Q: Did that come up in the—when you had the meetings with the Ministry of Planning, just on the strategy when they kind of grilled you all? Did it come up at all?

WILLIAMS: No, it didn't because our strategic review was early in my tenure in South Africa.

Q: Did you discuss this at all with Ambassador Joseph?

WILLIAMS: Oh yes, and with Brian Atwood. It was a major USG concern, and it truly baffled us. We were as flexible as possible, had what we considered to be open and transparent conversations on this subject, but obviously the Minister did not view this that way.

But all was revealed later on after Mandela left the presidency and Mbeki became president. Because that obviously became one of the major issues in his presidency.

Q: Right and probably destroyed his legacy and reputation.

WILLIAMS: no doubt, that plus the Zimbabwe situation.

Q: That's right. (chuckles) Two marks.

Q: One of the other things that I'm sure was very time-consuming as well as trying to work out these sorts of difficult issues was the number of high-level visitors. Not just

associated with the Bi-national Commission but as I recall several other VIP visits. These included: Warren Christopher, Secretary of State — I don't know if you were there. That was right before the '96 election in October of '96. And then a year later, in March of '97, Hillary Clinton. And then President Clinton made his trip in the spring of '98. And all went to Cape Town to a housing project site.

WILLIAMS: By the way, subsequently, Secretary Clinton has returned to that same site. (laughs)
That's right. You were part of her travel delegation.

Q: I was there from the very beginning. Christopher went there for the groundbreaking and then I was there for the two subsequent VIP visits.

But maybe you can talk about the high-level visits. Perhaps also touching on whether HIV/AIDS was ever brought up during any of those visits as an issue. And then just how each of those visits, the kind of things that you did on the ground with them, and maybe highlighting a bit about that housing project, because it was quite interesting in Cape Town.

WILLIAMS: Well, the housing project that you're referring to is in the Gugulethu area. It was a housing project where homeless women formed a coop and built their own homes. What was really remarkable about this project was that the homes were of such high quality that they rivaled the homes being built by the government.

And of course, that was the period when President Mandela made his famous pledge to build a million homes for South Africans. This was probably one of the major challenges of his presidency, but overall he was clearly a very successful president. Housing is one of the most complex and difficult that any nation faces, including the USA, so it's not difficult to understand the difficulty that the GoSA faced in this sector.

WILLIAMS: regarding the VIP visits, each one was custom tailored to the interests of the visiting official. In the case of Secretary Christopher's visit it was a standard site visit quick tour and brief meeting with the local residents and government officials. However the most spectacular visit was the project site visit by then First Lady Hillary Clinton and Chelsea (Clinton).

I have a methodology that I have used during my career in planning any high-level VIP (very important person). The most important thing is to identify a project or point of interest that is readily accessible to the visitor. I've always believed that it's important to identify sites that are within reasonable range for VIPs, because if it's a four-hour drive, you're not going to convince their staff to visit this site. Fortunately, Gugulethu is close to Cape Town.

Secondly, it was a grassroots program and demonstrated women's empowerment, which addressed a very unprivileged group of people, homeless women. Carleen Dei, the terrific director of our housing office, and I worked with her team to walk through every step of

the visit. I wanted to offer the First Lady a hands-on activity, where she could actually help with the construction, which her staff assured me she was willing to do.

And so it was a fantastic visit. I mean, the First Lady really enjoyed it. She remembered it. She then suggested it to the POTUS advance team, and it was included in his historic trip to South Africa.

And, amazingly Hilary returned to this site as Secretary of State.

Q: Yeah, it was amazing to see the vibrancy of the community and to see the houses, as you said, that turned out to be very high-quality cinderblock homes.

WILLIAMS: High quality; a very successful development. So it was something that AID worked on in the NGO community with some private housing cooperatives and financing from some of the private banks. It was really quite a success story for AID.

Q: I also remember a lesson that I learned on that trip from you, and that was your incredible attention to detail on a VIP visit, in which you all had prepared—you and I think, Pam White—

WILLIAMS: (laughs) Yes, that's right. The amazing Pam (Pamela) White, then the Mission Executive Officer, was the lead person in planning and setting up the site.

Q: Some wooden planks and ramps and stuff to be able to move around the area in case it rained. And it did rain. And therefore you saved everyone's feet, and that was something. And I remember you saying to me, "You've got to think about every single detail." So that's a lesson learned that everyone should know from VIP visits. Even plan in case it rains.

WILLIAMS: Well, thank you, Carol. Plan in case it rains. And have a Plan B in case you can't visit that site.

There is also another factor to include in your planning. You've got to capture the imagination of the advance team and the VIP's staff, and present them something that's so captivating, so important, that they would never consider dropping it from the schedule.

Clearly, South Africa lent itself to special VIP visits. Further, the South Africans were also very enthusiastic and supportive. So it was a good situation.

And we arranged similar visits for various Cabinet officials in conjunction with the BNC meetings.

Q: So you would find opportunities to give them access to real South Africans and the grassroots activities that USAID was supporting.

WILLIAMS: Absolutely. We did a lot of work in terms of visiting the townships: Soweto and Alexandra. And made sure that we provided opportunities to see various regions of the country, not just in Cape Town but also in Pretoria and Johannesburg. Even Durban lent itself to superb visits.

I was fortunate that I had an outstanding team, and each one of my senior staff members have had, and continue to have very successful careers as leaders at USAID, the MCC, the War College, and in the private sector. Each and every one was a talented officer, outstanding leader and mentor and operated with great integrity. I believe that each one of the team achieved Career Minister rank prior to retirement.

They were supported by an outstanding local staff that I inherited from my predecessor, Leslie “Cap” Dean, an experienced and highly regarded African expert. Cap and his deputy Bill Ford had done a superb job of hiring professionals during the buildup of the Mission, and these individuals had both credibility, due to their role in the anti-apartheid movement, and technical expertise in their respective sectors.

Q: Yeah. In just looking at the country team and the embassy in preparation for these kinds of events, was there active participation across the embassy in identifying not just activities but issues that might be brought up? Because obviously, there were probably one-on-one sessions with President Mandela and other senior officials.

WILLIAMS: yes, we received superb support by the ambassador and members of the country team. We had a great amazing country team. Ambassador Joseph himself, Mrs. Joseph were impressive representatives for America, very knowledgeable about the country, highly regarded by all sectors of South African society, gracious hosts and people of great integrity. Of course Ambassador Joseph was an amazing diplomat and leader who was masterful in addressing any issue that arose. He was supported by a terrific senior FSO, Bob (Robert W.) Pringle who was the DCM (Deputy Chief of Mission). And I don’t know if you ever worked with Bob Pringle, but he was one of the really great State Department officers. We had great support from the consul generals in each of the cities. We had Greg Engle in Johannesburg and Ambassador April Glaspie in Cape Town, outstanding officers with vast experience. It was a world-class team in every way, as I recall every member of the country team was highly regarded by their respective Department or agency and very experienced—clearly this reflected the importance that the USG placed on South Africa.

Q: Yeah, Greg was DCM in Malawi.

WILLIAMS: yes, I now recall that, and he went on to become ambassador subsequently. And then when I became director of the (U.S.) Peace Corps, I asked him to serve as country director in Ethiopia, one of our biggest programs, where he had great success.

Q: OK, Aaron, let me ask you a bit about something that I know the USAID mission played a very important role in. The National Democratic Institute (NDI) had an active program in South Africa, as did, I believe, the International Republican Institute (IRI).

WILLIAMS: Right, they were both very active. They had major projects in our democracy and governance portfolio.

Q: An NDI staffer, Amy Biehl, tragically was killed in the Cape Town area. And I know that the USAID mission worked with her family to help memorialize her work. And I wondered if you could talk a little bit about that whole process.

WILLIAMS: Yes, tragically, Amy was killed during the run up to the election. I had not arrived yet in South Africa, but I learned about her tragic death from Brian Atwood, because Amy had worked for him at NDI.

She died in 1993, in of all places, Gugulethu, our site near Cape Town. As reported by the South African press, “Amy Biehl was driving three co-workers to their homes in the township, when some young men started throwing stones at her car and eventually surrounded the vehicle. Amy was pulled out of the car and when she tried to run away, Amy was beaten and stabbed to death. Her Black friends tried in vain to stop the attack by shouting that she was a comrade”,

Out of this tragedy, the Biehl family demonstrated one of humanity’s most amazing displays of human compassion and forgiveness. In 1998 during a hearing of the Truth and Reconciliation Commission, the young men who murdered Amy confessed to what they had done and expressed their just sorrow and contrition for this crime, Amy’s parents, Linda and Peter Biehl forgave them. In Linda’s own words: “Therefore, in 1998, when the four men convicted of her murder applied for amnesty, we did not oppose it. At the amnesty hearing we shook hands with the families of the perpetrators”

As a matter of fact, soon after that the Biehls set up small companies in the townships to contribute to economic growth in South Africa, and they hired a couple of these very same young men to work for them.

So, that’s a preamble.

After my arrival in South Africa, I got a call from Brian Atwood who told me about the Biehls and their personal story. He explained that the Biehls, as part of their reconciliation process, wanted to establish a trust: the Amy Biehl Foundation in South Africa. Peter and Linda were going to live in South Africa for most of the year and manage this foundation. He asked me to meet with them to learn more about their plans, and I of course was delighted to meet with such amazing people.

At the time, I only knew about Amy’s work in South Africa, but I soon learned the life story of this incredibly accomplished young woman. She had been a star swimmer at Stanford (University). She had been a Fulbright (Scholar). She was committed to participating in the transformation of South Africa. She was obviously quite an extraordinary young woman.

And as I learned more, and became friends with her parents, I could understand how extraordinary she must have been because they were also extraordinary people.

During a few conversations with them I learned about the goals of the Amy Biehl Foundation, and their determination to empower poor South Africans in the townships of Cape Town. They were planning to create small businesses, such as bakeries and small factories. They had plans to create community outreach activities for young people in the townships that would support programs that would encompass education, sports, arts and music.

They submitted a proposal for USAID funding that included a matching grant formula. The Biehls' proposal was endorsed by the GoSA and Archbishop Tutu, the chairman of the TRC. We decided that this was such a worthwhile initiative that the mission should consider providing some level of funding for this empowerment and reconciliation program.

I'm really proud that USAID contributed to the creation of the Foundation, and that we had the opportunity to work with the Biehls. For decades now, the Biehls have continued their work in South Africa through the Foundation. Despite the distance between California and South Africa, for all those years, Peter and Linda Biehl traveled to South Africa and lived there almost 9-10 months out of the year. They put their hearts and souls into this. Unfortunately, in 2002, Peter, on a flight back from South Africa fell ill, and soon after died of colon cancer.

Q: Oh! I didn't know that.

WILLIAMS: Linda has continued to do this work to this day. So, it's an amazing story of the best of humanity. I'm really proud that AID contributed to this organization.

Q: Absolutely. That's a wonderful story of showing the flexibility to—

WILLIAMS: Of course they were revered in South Africa by Mandela, by (Archbishop Desmond) Tutu, by everyone who ever met them.

Q: You said this emerged out of the Truth and Reconciliation Commission. Did USAID or the U.S. Government have any involvement with the Truth and Reconciliation Commission?

WILLIAMS: Yes, we funded a portion of the TRC's budget, as did other donors, e.g.: the British, the Canadians. And I traveled and observed the Truth and Reconciliation Commission hearings all over South Africa, which was another amazing South African story. The Commission was national in scope, so they had regional hearings in every region of the nation. Archbishop Tutu, as chairman, would often travel to various regions to chair a specific hearing of national importance. The hearings were very complex and well-planned sessions.

The hearing I vividly remember was held in Paarl, in the Cape Town region, in the heart of the wine country. This beautiful, idyllic part of South Africa had been the locale for terrible, heinous crimes during the apartheid era.

I took (U.S. State Department) Assistant Secretary for Human Rights (Democracy, Human Rights and Labor) John (Howard Francis Shattuck) to attend one of the hearings. After serving in the Clinton administration, he became director of the JFK (former U.S. president John F. Kennedy) Library in Boston. Susan Rice, then the Asst Secretary of State for Africa, as I recall also accompanied him to this hearing.

The hearing was at a local school. They had the stage in the auditorium surrounded by flowers. The families of the victims and the perpetrators were seated in separate sections of the hall. The process allowed the accused to present themselves to apologize and express their contrition for what they had done, and ask for reconciliation and amnesty. Translators were present to manage the five major languages of South Africa, and the hearing used simultaneous translations. Psychologists were on the scene to deal with the anticipated emotional breakdown of the accused and/or the victims' families during and after the testimony.

Q: Wow.

WILLIAMS: Obviously, heavy security was in place. It was a surreal setting.

In this case, Archbishop Tutu chaired the hearing. This was a case where a young black man had disappeared in Paarl region, and his family wanted to know what had happened to him in the 1980s. He had gone out drinking with his friends in a bar. He never came home—he had disappeared ten years ago.

The local police commander of the squadron that killed him came forward to testify and admit to his guilt. Turns out that the young man that they killed was not an anti-apartheid activist. He was just in the wrong place at the wrong time in that bar. They killed him and buried his body by the river. The policeman pointed out where the body was so that his remains could be recovered. The man's widow was there with his children. A tragedy, one of hundreds of thousands that occurred during the apartheid era.

In the second case the accused were an ANC (African National Congress) cadre that had kidnapped an Afrikaans policeman, then tortured and killed him. After that they tossed the body in a pit, never to be recovered. These men came forward and testified and described the events of that night. They asked for amnesty, and of course the victim's family was present in the hall.

And so we took a break after two hours of these, heavy-duty emotions.

We went to a break room to join Archbishop Tutu and the rest of his commission for coffee, and to remove ourselves from this situation for a short break. The Archbishop was just crying, due to the emotional toll that this had taken on him. But he also said that

these were also tears not just of sorrow, but of joy because people were confronting their demons in a way that could improve the greater society.

It was just one of the most emotional, heart wrenching days that I had ever experienced, and I believe that it was the same for most of us in that school that day.

Q: Hm.

WILLIAMS: No country has been able to replicate the Truth and Reconciliation Commission's process with the effectiveness of the South African authorities.

Q: Right. It was a remarkable stride. I didn't realize that we had actually contributed to the budget.

WILLIAMS: We contributed significant funding to cover some of the operating costs. Steve Brent was our lead person for this project, as it was managed under our D&G portfolio. He was a superb officer who led an outstanding team, primarily of local staff, all who had tremendous experience in civil society. Steve was a hardworking officer, a tremendous analyst and writer, an admired thought leader, and someone who was totally reliable in terms of providing advice and follow up no matter the complexity of the matter at hand. Plus due to his previous experience as a Senate staff person, he was an astute advisor on congressional matters, very important for this high profile program.

Q: That also reminds of another group that also operated in South Africa that I think was brought in to help do conflict resolution work.

WILLIAMS: Oh, of course! This is another great story.

So just about the time that we were starting the first couple of meetings with the BNC, I was introduced to a young man named Vasu Gounden. And Vasu Gounden had a dream. He was a brilliant activist who had been on the ANC team that had successfully negotiated the agreement between the Zulus and the ANC. This was a crucial moment in the campaign in that they convinced the Zulu leaders to vote with the ANC in the election that led to Nelson Mandela's presidency.

During the campaign, as you might remember, the Zulus were being courted by the Afrikaner led Nationalist Party, whose embracing message was "we are all tribes here" and "these two tribes, the Zulu and the Afrikaans need to unify." Well, ANC prevailed and Vasu was on the team that resolved these important negotiations.

Q: And they were based in Natal, in Durban.

WILLIAMS: Yes.

So Vasu met with me and said, "I want to pursue reconciliation across the continent. My vision is to create an eminent persons group that would include people like Mandela,

Olusegun Obasanjo, of Nigeria, Julius Nyerere, of Tanzania, and other leaders of similar stature. These prominent and highly respected leaders of great integrity would mediate in conflicts like Rwanda or Burundi, or the Sudan, before they become armed wars, and negotiate a peace.

I agreed with him that this was a wonderful idea. However, I explained, our funding is solely for development programs in South Africa. I told him that we could not fund programs for all of Africa. Still I was intrigued by his idea, and I offered to arrange for him to meet with Brian Atwood and perhaps the Vice President's staff to present his concept.

Vasu clearly had a grand vision. As a matter of fact, he already had a feasibility study. He had architectural drawings of what the center would look like, where it would be located. Very impressive. And again I thought, this is a man worth supporting.

So on Brian's next trip to South Africa to attend the BNC sessions I arranged the meeting. Vasu made a brilliant presentation, and captured Brian's attention. Also, as I recall, Leon Fuerth attended the meeting and was impressed with this conceptual framework. They asked me to determine how this initiative could be supported. I suggested that we consider the development of a feasibility study for an Africa wide program, funded by the Mission.

We funded the feasibility study, and Brian was pleased with the results of the study. As I recall he then spoke to you, and requested funding to support the Africa-wide initiative. That's what I remember. (chuckles) You remember that?

Q: Yes, I do indeed. Dick McCall was heavily involved.

WILLIAMS: Of course, yes. Dick McCall was heavily involved in supporting this.

And today, ACCORD (African Centre for the Constructive Resolution of Disputes) is one of the leading reconciliation peacekeeping organizations in the world. And as a matter of fact, Carol, I'm very pleased to learn that a few weeks ago that ACCORD recently was named the tenth most influential peace and reconciliation organization in the world.

Further, ACCORD was recognized for the seventh consecutive year as one of the top 100 think tanks in the world, and the 5th in Sub-Saharan Africa. For the record!

Q: Wow, well that's a success story!

WILLIAMS: They have been very, very successful. ACCORD has been involved in the Sudan, in Darfur, in Burundi, the Horn of Africa. Vasu is called upon for to work on most of the conflict resolution initiatives on the continent. So it's a great AID success story.

Q: And again, recognizing that sometimes there are people who have ideas, and you have to figure out ways to manage the bureaucracy so you can be supportive of them.

WILLIAMS: That's right.

Q: That's something you were able to do.

WILLIAMS: Well, it's something that AID has done historically, many, many times, and we should all be proud of that.

Q: Yeah. Absolutely.

Just generically, something you mentioned a minute ago brought to mind another question, when you talked about supporting the Amy Biehl Foundation. To what degree was your program supporting local organizations versus either international NGOs or American entities. Were you primarily supporting local groups?

WILLIAMS: Yes, I'd say 90 percent of our funding in South Africa went to local groups.

Q: Went directly to local groups.

WILLIAMS: Yes, but at the same time, we also had major grant programs with American institutions. American universities are a perfect example of such funding. However, overall the Mission funded primarily local groups.

Q: Primarily to local groups.

So again, just going back to AID reinventing local solutions and things, many of those kinds of approaches were certainly at the heart of the South Africa program from the beginning.

WILLIAMS: It was.

Q: Another thing, if you could just mention about university partnerships. Could you talk a little bit about that? I know you were supporting some of the Historically Black Colleges and Universities in South Africa. And was part of that program to link them to American institutions, or—

WILLIAMS: Yes, it was. We had a major program to support historically black universities in South Africa. And this a period of time when two trends were quite obvious in the higher education sector. The major white universities in South Africa were starting to recruit heavily top students from the historically black universities in South Africa, which was obviously both progress and at the same time a controversial issue. They were also hiring top black faculty. So a brain drain was underway from the historically black universities to the prestigious, leading universities, such as Wits, and the University of Cape Town.

So our job was to support the local HBCUs, by training faculty and providing scholarships. We also identified overseas visiting faculty to serve as professors in the historically black universities. As you can imagine, this was a very sensitive political arena to play in. And we also had a partnership with the American HBCUs who partnered with the local HBCUs under the TELP project: Tertiary Education Leadership Project.

We brought together the leaders of the HBCU (Historically Black Colleges and Universities) community in the United States by working with two associations: NAFEO (National Association for Equal Opportunity in Higher Education), which was the HBCU association for public HBCUs; and the United Negro College Fund, which was the association for private HBCUs, which was led by none other than Bill Gray (William H. Gray, III). He was of course the distinguished former congressman, special Presidential envoy, and civil rights leader. Bill was a transformative leader for United Negro College Fund, because he had recently secured a large, historic grant from the (Bill & Melinda) Gates Foundation to refurbish or build new college libraries, in most of his member HBCUs, such as Tuskegee (University), Morehouse (College), Spelman (College), whose presidents were the most powerful leaders in the HBCU community.

So Bill and I worked together very closely on the TELP project. It was an exciting time to witness this successful partnership between these two groups of HBCUs with very different, but in some ways similar histories. Of course, we had a couple of controversies because we couldn't provide budget resources at the level that the South Africans desired, or for the specific projects that they saw as their priorities.

The only major contentious issue was the battle over whether or not we should fund a new medical school in South Africa that would be for the black community. And that was a tough battle. I saw the merits of the case, but didn't have the funding to support this venture. However, the leaders of that initiative were determined to secure USAID funding by any means necessary. (chuckles)

So I had to enlist the good offices of Congressman Gray to support our position. (chuckles) Which he did.

Q: Where did they want that institution? Was that in Cape Town at the—

WILLIAMS: No, it was destined to be located in one of the former homelands. Further, the sponsoring group had recruited as their allies some prominent black doctors from America to assist them in this initiative. This issue was presented to the Bi-national Commission for consideration. (chuckles)

Q: Yes, I can imagine. (chuckles)

WILLIAMS: the scenario was complex. The sponsoring group for this HBCU led medical school, had a very worthy project and I believed that they merited donor funding. Unfortunately, the Mission was unable to fund this under our existing TELP project,

given that we were at that point supporting, something like six or seven different universities in South Africa.

So they enlisted former Governor Doug (Douglas) Wilder to bring their case to the U.S. Government. And he was very persuasive, because he had access to President Clinton, Vice President Gore, Brian Atwood, *et cetera*. It was decided that during the BNC's next meeting in DC, that I would meet with Doug Wilder to explain our views on this new project.

So we met at Wilder's law offices, and it was a very interesting meeting, because unbeknownst to the organizers of the school initiative, I had worked closely with Governor Wilder when he was governor of Virginia, in July 1992 when he hosted a summit meeting of the five Central American presidents at Monticello in Charlottesville. I had assisted Jim Michel in the planning of this summit, so I had a prior relationship with him that was obviously still very good. There was a lot of mutual respect, and I think the Governor was very open-minded, saw both sides of this issue and resolved it in a very satisfactory way.

Q: Yeah, well that's again showing how important it is to—

WILLIAMS: Build relationships.

Q: —to build relationships and have networks, because you never know when they come back and help you.

But I think it raises the broader question of just the amount of pressure you were under with very high-level people putting demands on you almost constantly, and political demands. It must have been a bit stressful at times.

WILLIAMS: Yes, occasionally it was stressful. But at the same time, I had three important assets that were critical for our success. Number one, I had outstanding people on my team who were strategic thinkers and determined professionals. No matter the circumstances I could count on them. They were simply superb.

Secondly, I had the support of Administrator Brian Atwood and Ambassador Joseph. That makes a big difference. Now, if I had not their full support, then I couldn't have withstood that kind of pressure.

And third, our \$1 billion portfolio (this was of course the period before the massive funding for reconstruction in Iraq & Afghanistan) contained significant resources that could have a significant policy and program impact in the selected sectors.

Returning to the theme of senior level support, there is another example that demonstrates the importance of such support, and this was the Sesame Street initiative. We had entered into a partnership with the Children's Television Workshop to create a local version of Sesame Street, as a co-production with South African Broadcast Company

(SABC). This program was envisioned as part of our pre-K education program, and the project manager was the brilliant Michelle Ward Brent, an experienced and innovative early grade reading and communications technology expert, who was the other half of that impressive tandem couple with her husband Steve Brent.

However, this initiative ran into high profile opposition from Senator Jesse Helms, then the Chairman of the Senate Foreign Relations Committee. It would take a novel to retell this story in full, but suffice it to say that Sesame Street was under attack because it was part of the PBS family in the US, and this US domestic battle was extended to the shores of South Africa, including several harsh press stories about me and my colleagues. As I often said during this period: “who could be against Big Bird”, but clearly SABC was concerned about this level of international criticism. Nevertheless, every step of the way, as Michelle proceeded to finalize the project with both SABC and other local partners, Ambassador Joseph and Administrator Atwood were steadfast in their support for this important initiative.

We prevailed, and as a result, South Africa’s “Takalani Sesame”, had a 15 year run as one of the most popular children’s shows in the nation. TS has been widely praised for its powerful contribution to preschool education, and positive impact on millions of children. Michelle continued her brilliant USAID career with similar success in introducing Sesame Street into Egypt, and since 2004 she has been my colleague at RTI, and one of our most successful education experts in the Middle East region, with a special emphasis on girls’ education.

Q: Right. It was a bit of a meat grinder in a sense. It could have been a meat grinder.

WILLIAMS: And also I had a realistic view of our political environment. I had learned, had acquired a healthy sense during my career in AID that there’s a big political and little political. And you’ve got to be able to master both of those to be successful if you manage a major program. You have to recognize and be prepared to engage with it, be a risk taker, and stand your ground when necessary.

And finally, I would like to discuss one other initiative before we close out this chapter in our interview.

Q: OK.

WILLIAMS: The other thing I’m very proud of is that when NDI presented us with an extraordinary opportunity to assist the Mandela administration in a key policy area, we seized this moment in an innovative manner. The South African Government, to its great credit, decided they wanted to create an ethics code for the (South African) Cabinet, for the first time in the history of the nation. And so the regional NDI director, Pat Keefer asked me: “Can USAID help us with this ethics project? As she described it the issue was that the South Africans want to review the ethics codes and practices of Ireland, the UK (United Kingdom), Canada, Australia, and the United States. However, they needed funding to cover the travel budget of the senior team assigned to carry out this study

Pat Keefer was an experienced and dynamic leader, well versed and very well connected with the ANC leadership. She was someone whose judgment I trusted based on our extensive working relationship and her successful projects. I explained that funding the travel to several countries presented us with a complicated policy issue, but that this was clearly a worthwhile endeavor.

She said, “I want you to come to Cape Town tomorrow morning, fly down here. I want you to meet with Mandela’s general counsel to talk about this.

So implicitly in that invitation is the chance, opportunity to be engaged in a very high-level, important initiative. And the question is how you do it.

So the next morning, I flew down to Cape Town. You know, yet another interesting fact about working in South Africa was that it was not “capital centric” like most developing countries where the nexus of most government, business and social leadership was based in the capital city. Here in this large and diverse nation, an aid agency or embassy must be operational in the several capital(s) around the country: in Pretoria, the administrative capital; in Cape Town, the legislative capital; Bloemfontein, the judicial capital; Durban and Johannesburg, major metropolitan, urban areas with power bases in the private sector and in the NGO community. All major embassies had 2 sites, in Pretoria and Cape Town. Therefore, Rosa and I, and of course my staff had to work, host representational events, and be engaged in all of those cities to some extent.

That’s the context of working in South Africa, so a quick business trip to Cape Town was not unusual. Pat and I met with President Mandela’s general counsel, Nicholas “Fink” Haysom. Mr. Haysom, a White South African, was a human rights lawyer, who became a member of the ANC, and eventually a member of the ANC’s negotiating team for a new Constitution. He told me about this marvelous idea, and their desire for the USG to assist if at all possible. I decided that the USG must be at the forefront of this historic policy initiative. In my view, this was just too important, and we had to step up and find an innovative way to support this initiative.

I immediately briefed the Ambassador, and he of course agreed with me regarding such an historic opportunity. I advised AID-Washington, and I’m certain that I must’ve consulted with you and with Brian, and all that I spoke to in AID/W were enthusiastic about this opportunity. So between AID/W and our team, we determined how we could fund this project, and USAID covered the travel expenses for the GoSA delegation’s study tour to the UK, Ireland, Canada, and the United States.

This was a joint NDI-USAID initiative, and Pat Keefer and I accompanied the delegation to Washington DC. The delegation consisted of Valli Moosa, Minister for Provincial and Constitutional Affairs, and Fink Haysom, the President's legal counsel. Mr. Moosa was a highly regarded leader who had played a leading role in the anti-apartheid movement, was probably the youngest cabinet minister. Mr. Haysom was a key presidential aide,

chair of the committee for constitutional issues, and served as Chief Legal Adviser throughout Nelson Mandela's presidency.

We met with key White House staff, and Congressional leaders. We had extensive conversations with the chairman, Henry Hyde (IL- R) and the ranking member, Robert Scott (VA – D) of the House Judiciary Committee, the committee responsible for initiating the historic Watergate hearings. We met with the White House counsel. We met with Senators on the Senate judiciary committee. The delegation met with AID and State officials with responsible for AOJ and ROL programs. One of the highlights of the trip was their meeting with 2 Supreme Court Justices. I wasn't part of that meeting, and can't recall which Justices they met.

And then we had an extraordinary meeting with John Lewis, the legendary congressman from Georgia. So we were scheduled to meet with Congressman Lewis in his office. His office was in Rayburn building, and as we were about to leave for the appointment we got a call from his chief of staff. He told me that unfortunately the congressman would not be able to meet with us due to a crucial vote that was about to occur. Interesting enough, as it turns out that vote was the final vote on NAFTA. And as you might remember, every Democratic vote was crucial for President Clinton at that point.

So we learned that Congressman Lewis could not meet with us. So we responded, "OK, we understand."

We continued to our next appointment in the Rayburn (House Office) Building. As we cross over in front of the Rayburn Building, we see Congressman Lewis walking towards us, on his way to the Capitol to vote. The reason he can't meet with us is because he's going to vote. I see him, and decide to at least introduce him to the delegation. They of course are well versed in the history of the civil rights movement and were honored to shake his hand. So, I said, "We understand sir that you cannot see us, but at least I wanted to introduce you to the South African delegation".

And he responded, "Oh, no, no, no! We are going to meet! I'm just going to vote. I'll be right back. Please go wait in my office."

So we went to his office, and we waited for maybe an hour. He returned and as he always is, so very gracious. We met with him for something like an hour and a half.

This was truly fortuitous, to have the honor to meet and converse with this icon of the American Civil Rights Movement – a leader who marched and worked with Dr. King (Martin Luther King, Jr.). He was generous with his time, and of course the South Africans were delighted. It was an amazing "love fest" between these kindred spirits.

So I was really proud that we played an important role in organizing this study tour, a seminal moment for US-South African relations.

Q: That's a wonderful—

WILLIAMS: And a great testimony to the kind of human being that John Lewis is.

Q: Well, and to the kinds of linkages that the USAID program helped to facilitate, those between South Africa and the United States.

Q: OK, this is Carol Peasley, and it's April 13. And we're continuing the interview with Aaron Williams. And, Aaron, when we finished up last time, we'd almost finished up South Africa. But I want to do a couple of summary follow-up questions.

One is just any sort of summary thoughts you have about the unique opportunity of working in South Africa. And then in addition, we talked a little bit about President Mandela, but if you could also include, you know, any personal contact that you had and seeing him in action. And how USAID had an interface with him. And then other sort of observations you have on some of the high-level visits that were made to South Africa during your tenure there.

WILLIAMS: I think last time we talked, we did discuss the Truth and Reconciliation court, right?

Q: Yes, we did.

WILLIAMS: Because that was certainly important.

So President Mandela. I would say, as many, many other people have said, that without a doubt, he was an extraordinary leader and certainly a unique figure in the 20th century. Someone who had achieved the impossible in many ways, a feat that most human beings are incapable of doing, which is to set aside anger and hate and disappointment and suffering. To have the courage and determination to ignore such powerful human feelings, and look to the future in a positive manner. To set forth on the path to reconcile a diverse nation, that had lived through the injustice, pain and tragedy of the apartheid era. To give hope and democratic governance as a platform for a historic transformation the likes of which the world had never seen.

Very, very few people in humankind's history have ever been able to accomplish such monumental things.

If you are Christian, you might cite Jesus Christ. If you are a Muslim, you might cite Mohammad. One might say (Mahatma) Gandhi, although Gandhi never had a chance to lead. No one is certain if he would've been able to lead if he had not been assassinated.

Those kind of transformative leaders are just very rare. And especially one that has so many different opposing forces that were coming at Mandela. For him to forge his own path with that level of clarity, that level of compassion, that level of vision that could capture a new, transformed, multiracial South Africa—it's quite extraordinary.

And for all of us who had a chance to be engaged in supporting the Mandela government, I think, you know, we contributed to a special partnership between South Africa and the United States.

WILLIAMS: And I had the honor and privilege to see him close up and personal, beyond the normal official functions of diplomatic activities and events.

All because of a coincidence.

When AID decided to fund the feasibility study for ACCORD under Vasu's leadership, we learned that Graça Machel (Graça Simbine Machel, DBE), Mandela's new wife, was the chairman of the board of ACCORD. I was graciously invited to be an *ex officio* member of the board. And so quarterly, she brought Nelson Mandela, her husband, to the board meetings.

Q: (laughs) Wow!

WILLIAMS: So we had a chance to sit down with Mandela in various settings, with small groups of people in relaxed venues, including a management retreat that I recall in Durban, and hear from him about his views on sundry topics.

Now obviously he always prefaced his remarks by saying that he was only there to accompany his wife. (chuckles) But think about that power couple: Nelson Mandela and Graça Machel. Pretty amazing.

Q: Yeah!

WILLIAMS: So I had a chance to see him close up and personal in small settings

Q: When you saw him, did he at that point ever make any observations about USAID, just out of curiosity, when he met you and might have heard that what you were doing in South Africa? Whether he was aware of the USAID program, per se?

WILLIAMS: Only in the general belief and acceptance that we were implementing programs that were supporting his administration. Nothing very substantial.

I had one very personal encounter with President Mandela the first day I arrived in South Africa. Our family was preparing to depart for South Africa, and I got a call from Brian Atwood. He told me that he had been named to the committee of the new campaign to eradicate polio (poliomyelitis) in Africa, aka: "Kick polio out of Africa" – a soccer theme". The program was a partnership between the WHO, Rotary International, and USAID. The chairman of the committee was going to be Nelson Mandela. The committee members were the Administrator of USAID, WHO's regional director for Africa, the president of Rotary International, the first lady of Congo-Brazzaville, and the first lady of Ghana.

Q: Right.

WILLIAMS: Brian said he had been invited to the kick-off campaign in Johannesburg. And he said, “Well, you’re going out to South Africa in a couple weeks. I want you to be my representative.” I said, “Fine. I didn’t anticipate you would go out for a one-day turnaround.

That said, I did not anticipate that President Mandela would appear at that event. Because like so many other dignitaries and celebrities, they give their name to good causes, but they don’t show up to every event, even when it’s the kick-off. But I didn’t understand the depth (chuckles), and reach and the view of the world that President Mandela had.

So my family and I, we travel to South Africa: Rosa; my sons, Michael and Steven. And we arrived that night, as I recall. The very next day, the kick-off event is to take place.

So as you know, Carol, I was suffering from very significant jetlag. (laughs) Right? After a 14-hour flight from the United States. But, you soldier on, we all do. I put my suit on and we drove over to the Johannesburg convention center for the event. And still I didn’t anticipate that President Mandela would make an appearance.

Now before I traveled to South Africa, I checked with the Administrator’s front office to inquire if I would be expected to make any remarks at the event. They assured me—they gave me great deep assurances that I would not. That in fact, no one was going to speak except for President Mandela, that it was described as merely a photo op.

But given my vast experience at USAID and the government, I was skeptical about these assurances. So I did a little homework on polio, and found out that AID wasn’t funding polio eradication projects, given that the disease had been eradicated except for pockets of Africa and in Pakistan. And there wasn’t much information about AID’s historic involvement in polio. So if called on to give remarks, I decided to talk about global health portfolio.

When my family and I arrived at the convention center I met the other members of the committee: the WHO rep, the two first ladies, and the Minister of Public Health of South Africa. Almost immediately we heard sirens outside of the convention center, and it’s an interesting scene with a huge crowd and dozens reporters, both international and local. That’s when we were informed that President Mandela was *en route*. He’s going to arrive shortly. The Minister informs us that before the event begins, the President would like to have a private meeting with his committee! (laughs) Which is great!

In my mind, I’m thinking, “Oh my god, my first day in South Africa, and I’m going to meet Nelson Mandela! This is wonderful! And I guess I don’t have to worry about my remarks.”

So we’re led to this elegant, private meeting room—and President Mandela comes in, and we’re introduced. And the Minister turns to all of us and says, “I’d like for each of you to

brief President Mandela on what your organizations are doing to combat polio in Africa.” (laughs)

So I thought about it, and luckily I wasn’t first. I can’t remember who went first. But given that AID wasn’t engaged in polio eradication projects I decided to fall back on the tried and true device of all public speakers: a personal story or anecdote (laughs), usually effective for two reasons. First, it happens to be true. And you will remember it. (laughs)

So when it came my time to speak, I told President Mandela that on the drive to the convention center, I’d asked my two sons, ages 18 and 14—if they knew what polio was. I related how my oldest son, Michael, who was in college, had some idea of what polio was because he was pre-med in college (and became a medical doctor), so he was already interested in health issues.

My youngest son, Steven, had no idea what polio was. He had never even heard of it.

I continued and told President Mandela my personal story about polio, as follows: “When I was growing up in Chicago, a big urban area, we lived in abject fear of polio. Wealthy people sent their children to the mountains or to a distant rural area during the summer. We all were always concerned about garbage collection, and the need to keep the streets clean. My mother wouldn’t let me swim in a public swimming pool at all during the summers. There were stories of classmates who contracted polio and ended up in iron lungs. They were newspaper stories and photos about crippled children. This was how we spent our summers”.

I then said, “I happened to be the fortunate generation, and I was part of the first or second cohort of children who received the (Dr. Jonas) Salk vaccine.” I said, “And then polio just disappeared from our lives—entirely. It was no longer an issue. Summers became very different.”

I wrapped up my story by saying: “So therefore, I want to see a world in Africa, where the children of Africa will face a polio-free future, just like we did in the United States and the rest of the industrialized world.”

As I recall, following my story, President Mandela patted me on the back, and thanked me for sharing that personal story.

Q: Well, that’s wonderful. That would also help to explain that, when Mrs. Clinton made her trip to Africa, she announced an Africa Bureau regional activity with Rotary (International) on polio. And Mrs. Clinton did an announcement related to that USAID—either global or Africa-wide—grant.

And interestingly, the USAID staff person in Washington who worked on it was Mary Harvey. And she had gone to the same high school as Mrs. Clinton outside of Chicago. And she gave me, to take on the trip, her high school annual yearbook. She was a year or two either ahead or behind—

WILLIAMS: Really?

Q: —Mrs. Clinton. So she gave me the high school annual yearbook—

WILLIAMS: Wow!

Q: —asked if I would get Mrs. Clinton to sign it for her, which I did. I passed it on, and I said, “The person who arranged all of the polio work (chuckles) happened to have been a high school classmate, and she sent this along.” And so Mrs. Clinton came out and wrote in the high school annual and enabled me to take it back to America.

WILLIAMS: What a wonderful story!

Q: But I don’t think I knew about the Mandela’s association with the anti-polio initiative, which is what prompted so much action on our part, I’m sure.

WILLIAMS: The logo for the campaign was a soccer ball, with a foot kicking it.

Q: Yeah. Well that’s a very interesting story and a wonderful picture of President Mandela.

Is there anything else on the South Africa front that you want to mention before we—before we move on?

WILLIAMS: Well, we talked about the challenge of South Africa and that we were working with a very influential leader who led in turn a very influential government. Due to the respect that the world held for President Mandela, the GoSA did not adhere to the normal guidelines and interaction in (bilateral) relationships that we typically expect, as I described concerning the Ministry of Planning’s review of each donor agency’s strategy. We talked about that.

Q: Yes, yes we did. Which is a good model for other countries as well.

WILLIAMS: Pause. Let’s pause.

Q: Yes, OK.

WILLIAMS: So, I had the good fortune to be in South Africa when Hillary Clinton made two visits. The first visit as First Lady when she came with her daughter, Chelsea, and her staff to visit South Africa. And I believe that you accompanied her on that trip.

Q: Yes, right. We talked a little about that earlier.

WILLIAMS: I’d never worked with her closely before, but it was quite apparent that she was an extraordinary leader, with an amazing intellect, who was well-versed, well-

briefed, well-read-in on all the issues we were dealing with in South Africa. Every meeting, whether it was education, health, governance, she knew what the issues were and the United States' role in supporting it, and could conduct an in-depth conversation on the topic at hand. She gracefully interacted with both senior officials and ordinary people on the street during her visits to various NGOs.

She was so impressive, and it was clear that one day she would attain a higher office; she was already at that moment the leader of the future. I didn't envision that she was going to run for President of the United, but certainly I knew she was going to do something extraordinary. I recall thinking of position such as president of the World Bank, obviously the Senate, *et cetera*.

In my view, there were three significant events on that visit. First of all, of course the meeting with President Mandela. Secondly, as we discussed previously, we took her to visit the housing project in Gugulethu that was organized by a coop for homeless women.

Q: Yeah, we talked about that.

The other extraordinary event was the speech she gave at the University of Cape Town in honor of the 30th anniversary of (former U.S. Attorney General) Robert Kennedy's speech against apartheid at the University of Cape Town. The chancellor of the university at the time was, I can't recall at the moment?

Q: Is it (Mamphela) Ramphela?

WILLIAMS: Yes, that's right: the famous Mamphela Ramphela, medical doctor, and the widow of Steve (Stephen Bantu) Biko, the legendary anti-apartheid leader and martyr.

The Mission led the advance work for that speech, and I traveled with her team to the University. I also had the opportunity to observe the warm and interesting conversation between the two of them in the "green room" prior to the First Lady's speech.

As you would imagine, it was a standing-room-only audience at the University. Her speech was inspirational and very well received by the students, faculty and guest. And, although her speech was wildly applauded, in my humble opinion, I believe that her comments during the Q and A (questions and answers) session generated an even higher level of enthusiasm from the audience as she provided sincere responses on topics such as women's empowerment, US politics, national security issues, and the USG's partnerships in Africa.

Special Note: I would like to highlight the key role that Pam White played in these very successful visits. The First Lady and her staff were very pleased with the results of her first visit. Due to this, in planning for the POTUS visit, the White House advance team suggested that Pam and her staff manage the President's visit to Gugulethu. This was unprecedented and a real testimony to Pam's stellar leadership.

WILLIAMS: As had been well documented, President Clinton's visit in March 1998 was a magnificent display of the special relationship between President Mandela and

President Clinton. Naturally, the preparation and execution of presidential visit is major undertaking for any Embassy, and my staff and I were committed to showcasing the US foreign assistance program during the visit. The detailed planning that a POTUS visit entails requires the full engagement of all staff, and I was very proud of my Mission colleagues for their outstanding performance with the multiple advance teams and during the actual visit. The POTUS delegation consisted of Congressional leaders, Cabinet members, and leaders from every sector of American society.

Thanks to the enthusiasm of the First Lady's staff, I was delighted that the White House selected as the USAID site visit the Gugulethu housing project for homeless women. The Clintons helped build one of the houses, and received a briefing from the coop president. So it was a wonderful, wonderful visit.

Personally, I participated in the special Country Team briefings for the delegation and in the presidential farewell reception for his delegation, a White House tradition. We also accompanied the POTUS delegation to a stunningly emotional and inspirational church service at a famous Catholic church in a Cape Town township. One of the highlights of the Catholic mass was the performance by the famous choir from St. Augustine (Catholic Church) in Washington DC.

Q: Yes; I remember that as well. I don't think it was Easter Sunday but it may have been Palm Sunday or something like that.

WILLIAMS: Before we wrap up the chapter on South Africa, I have one more thought. Carol, I can't remember if I covered this or not.

The big challenge for the Government of South Africa and South African society, and for the donors, was the evolution of civil society from being the opposition and allies with the ANC in the war against apartheid, to a new reality where many of those NGO leaders became government officials.

Q: Right.

WILLIAMS: And so, on the one hand, you had people in a totally different role now. But on the other hand, you had this brain drain from a really important part of South African society: civil society. So there was a lot of tension in terms of how this dynamic would play out in this transition from advocacy to governance.

Q: Right, and you all made decisions to retain support for civil society, because you saw the continued importance of that role. Which today—we're seeing the benefits of that.

WILLIAMS: However, one has to acknowledge that this substantial support for civil society created some tension with the GoSA for both the Mission and certain NGO leaders. Clearly some government officials anticipated a shift in the funding to their official projects, versus maintaining significant flows to civil society, right?

Q: Right. But, just to just make sure it's on the record, did everyone at post and in Washington agree on this approach? There weren't any internal debates or disagreements, were there on this?.

WILLIAMS: Not in the administration. However, certainly there was some level of disagreement with Capitol Hill, in that several Republicans did not want to see us continue with the civil society support projects.

Q: OK. Right, OK.

WILLIAMS: They probably were not pleased with those commitments during the apartheid era, as part of the constructive engagement policy of the Reagan administration, and they continued to be unhappy and suspicious of the support we gave to those types of organizations.

Q: OK. So here you've been in South Africa for two years or so. You're probably thinking in your mind, am I going to do a second tour, or what does my future hold? And what did you decide to do? I believe the "R word" began to surface. (chuckles)

WILLIAMS: Well, yes. I was concerned about the next phase of my career. I had served in USAID as an FSO for 22 years, and I believed that it was time for my family to return home. Rosa and our sons, and also my mother and my siblings all felt the same way, and so I started thinking about alternatives.

It was quite a surprise when an executive recruiter, conducting a search for the International Youth Foundation (IYF), reached out to me. They asked me to consider a job as vice president for global partnerships, which was a new position they had created. I met with Rick (R.) Little, the founder and CEO, and with Bill (William S.) Reese, who was a long-time friend and colleague of mine. We have been friends since his days as president of Partners of the Americas, and he had recently been hired as the COO of IYF.

I was intrigued by Rick Little's unique path for creating IYF, and I knew that Bill was an outstanding executive, whose move was a significant factor in my thinking. I met with the board members and other senior staff, and I was impressed by IYF's global mission and corporate culture.

IYF's mission was to improve the lives of young people wherever they lived, learned, worked, or played. I liked the idea of building alliances with global corporations to support youth development. I had spent most of my career at AID building partnerships, and believed that this experience could be useful for in achieving IYF's future goals.

After much agonizing, and long discussion with Rosa, my children and my mother I decided to retire from USAID. This was one of the toughest decisions I have ever made; it was very emotional, because USAID had been my life for 2 decades. Rosa and I had raised our children in this world, and I truly loved working at AID. While overseas, we enjoyed being part of the AID family, sharing experiences with our colleagues who

became lifelong friends, and the talented and dedicated counterparts I had worked with all over the world. It was a fascinating, creative and mission driven life and career.

Further, it was difficult to leave South Africa--this had been a very successful assignment. I had an outstanding relationship with the Ambassador and the Country Team, superb working relationships with my counterparts in the GoSA, business community, civil society, etc. True that it was challenging post, as we have discussed, but it was an enormously satisfying place to work and live. However, I wasn't sure what else was on the horizon for me in AID. However, I had very reasonable conversations with Brian about my future, and I was offered me a couple of different options for my next MD assignment.

Further, the State Department also offered me an ambassador post in Mali. I gave that opportunity very careful consideration, and the process proceeded to the "agrément" level with the GoM before I decided that I didn't want to pursue this position.

So it was a tough decision, but I'm really glad that I made the transition at that point in time because it gave me a long runway in terms of my second career.

Finally, I recommended to Brian that he consider one of the Agency's most outstanding senior officers as the next MD for Pretoria. We hit the jackpot because William "Stacy" Rhodes agreed to shift from his intended post of Peru, and instead come to South Africa. This was ideal in my view...Stacy had tremendous experience, was highly regarded throughout the Agency, was very respected by his State colleagues, and was a terrific leader. I knew he would embrace this unique opportunity to engage in the transformation of South Africa in an innovative and determined fashion. In my view he was the perfect candidate, and I was delighted that the Administrator agreed.

Q: Right, so you retired from AID, went to work with International Youth Foundation. They may have done some work with USAID, but if so, very little. Most of it was privately funded, is that correct?

Post-USAID Career – Retirement from USAID in 1998

WILLIAMS: Yes, IYF was not a USAID partner at that time.

Q: So you really went into a very different sort of operating model, and just how was that transition and sort of seeing life from a different side of the table?

WILLIAMS: Before I had joined AID, I worked in the corporate world. I worked at General Mills, my last company, as a marketing manager. So, I had business experience and I think that was one of the reasons they hired me, because I had experience in both sectors. However, clearly AID was not a funding source for IYF at that point in time.

Further, in that era, AID was not focused on youth development. Now that's changed in the last decade.

Q: Yeah.

WILLIAMS: So the first thing I had to do was come up with a strategy for outreach to the private sector, to try to convince the Fortune 500 (Fortune magazine's annual list of companies by revenue) that IYF was a good place to invest their money in if they wanted to be engaged in youth development.

It was a team effort. Rick Little was a visionary, inspirational leader and speaker. He was brilliant in convincing potential partners of the importance of IYF's mission. Prior to founding IYF, he was the recipient of the largest grant in the history of American philanthropy from the (W.K.) Kellogg Foundation, to pursue youth development life skills, which he then developed into a successful partnership with Lions (Clubs) International. This was before the era of the (Bill & Melinda) Gates Foundation.

In addition to our leadership, we had an extraordinary board of directors, prominent global leaders from business and academia, citizens of America, Latin America, Europe, and Asia. We literally had access to anyone in the world. And I really mean that, they were prominent and influential. They gave us a tremendous platform to engage with target companies.

To illustrate my point, the chairman of the board was (Sir) David Bell, another inspirational, brilliant leader. At that time he was the managing director of The Economist and the Financial Times, companies that were part of the Pearson Group.

Q: Right.

Overall, I have to say that the big difference from working at AID versus IYF is that, of course, you have a totally different type of managerial latitude, because it's a private organization. Our leadership decided the strategic focus, people we planned to hire, how we planned to use our resources, and what level of risk you're prepared to take on. Oversight is exercised through a combination of good management practices, sound auditing and the oversight of the board. So you have a lot more latitude in the private sector. Further as a small organization, located in Baltimore, we had the opportunity to be ambitious and play in a league way beyond our size.

Because we were small, Rick delegated full responsibility to each of his vice presidents. There were three—four—vice presidents with separate portfolios, under the overall lead of Bill Reese as the COO. We raced around the world and did a lot of interesting things.

Q: One of the interesting things as I recall of the model of IYF, unlike most international NGOs, they always worked through local NGOs. You know, over the last decade, everyone has talked about the importance of working through local entities. IYF was doing that from the outset. So even 20, 25 years ago, that was their model, which I would suspect you also found very attractive.

WILLIAMS: Well, this was the genius of Rick Little. Given that we were small, we could not set up offices around the world, so his model was to identify the leading youth development organization in any given country and partner with this entity. Typically, such organizations had great leadership and an influential board of directors.

In terms of coverage, it was also very interesting that we worked in both the industrialized world and the developing world. We had partners in Ireland and Germany, and we had partners in Argentina, Brazil, South Africa, and Thailand, *et cetera*.

The magic in my view was to convince global corporations to invest in the excellent programs that our partners already had in place in their countries.

Q: Yes.

WILLIAMS: Now that's contrary to normal business practice, especially with large corporations. They always have good ideas they want to implement. Always.

Q: Right.

WILLIAMS: So we had to convince them that, "You have good ideas, but our ideas are better, because they're being carried out successfully in the host countries by prominent people that you should be associated with."

The other thing that I introduced to the equation was that I marketed to companies the idea of turnkey projects. My typical conversation would be something like this: Your managing directors in country X are engaged in building your business, and obviously as good corporate citizens they are called upon and expected to support worthy projects in local communities and local society. But it's not their primary job.

IYF on the other hand can offer incredible alliances, partnerships with influential leaders whose youth development organizations in country X provide you a turnkey program that you would receive full credit for. Your managing director can show up at all of the major events, but not dedicate his or her valuable time to managing this project. It's a win-win for everybody. And not only that, it would seem to be wise to be partners with the people we're associating with in these countries, because they're very influential, and respected leaders.

In Brazil for example, the former first lady of Brazil was the head of one of the foundations. We worked with the association of toy manufacturers of Brazil. We worked with the former vice president of Brazil. We had the leading, preeminent sociologist in Brazil as an advisor, who focused on youth issues, and so forth and so on. It was like that pretty much in every country we worked in.

Q: Can I ask a nitty-gritty question? Let's say I'm Nokia operating in Tanzania, and so I agree that they want to support a local Tanzanian NGO that is doing this work. Would they be signing the grant with IYF, and then you would do like a sub-agreement with the

Tanzanian group? Or would they be doing it directly to the Tanzanian group, and the Tanzanian group had some kind of an arrangement with you? Or could it have been either, and did it change over time? I'm just curious about who was the principal and who was the sub (sub-contractor).

WILLIAMS: We were the principal, and we insisted on that approach because we thought it was important to not only exercise control, but to have efficient, effective management. We wanted to be the go-to organization, and to be the responsible organization for managing the program.

Q: So you accepted the accountability.

WILLIAMS: We accepted the accountability, right.

Q: Right.

WILLIAMS: And frankly, the companies wanted it that way, because they didn't want to have this Balkanization of their assistance.

And the other thing we did, Carol, is that we didn't focus on the CSR—corporate social responsibility—group in a company. We thought that was important. We wanted to work with companies like Johnson & Johnson and Nokia and Nike. We had a large corporate social responsibility department and staff. But we wanted to also be engaged with the line managers who had P&L responsibility and ran the business groups. This was our typical approach.

Now one of the great advantages we had, was that we started our initial discussion with the senior leadership of a potential partner corporation. This was feasible because of our Board's network. We typically started with a discussion with the CEO or Board Chair.

Q: (laughs) Yeah, because it's a much more efficient approach.

WILLIAMS: (chuckles) And once they bought in, then they would identify who was going to be our go-to person at each organization to work with us. We just thought it was much more productive instead of going into middle management and getting their buy-in, because we did not think that this would be sufficient. Because are they going to make decisions about resources? Probably not. Only about their budget.

And so that gave us great cachet when we started rolling this out worldwide. Because even though, you know, we thought we were brilliant and convincing, we had the support from the CEO or somebody close to the CEO.

Q: Yeah.

WILLIAMS: And when we engaged these senior officials, we encouraged them to be involved. We arranged for them to meet with our partner organizations. We had joint

board meetings; we had guest speakers. We eventually invited Queen Rania (Al-Abdullah) of Jordan to join our board. That was another important part of our recruitment. I was involved those exploratory discussions.

It was an exciting time as we began to grow our portfolio. We were delivering effective projects, and then of course we started to be innovative and came up with new ideas to present to our partners. And once our local partners accepted that it made sense for their domestic strategy, then we would market it to the corporations.

So I have to tell you that, during my time at IYF, no one ever told me “no” about a potential partnership that I proposed. They might’ve told me “not now,” “you’re asking for too much money,” or “I want you to change some aspect of this proposal.” But I never heard, “No, this is a bad idea.”

Q: Right.

WILLIAMS: Now one of the advantages we had is that, presenting ideas for improving the lives of young people. Who’s going to be against youth development *per se*, right?

However, these are the companies that are inundated with requests all the time in country after country. These firms are asked to support the arts, education, and the pet project of the leader of that particular country.

So it’s easy to write checks. The question is—and that’s the question we asked—wouldn’t it be preferable to be engaged in sustainable development in partnership with highly regarded local organizations.

Q: Yeah. Well, no. It sounds like a very good model and a very effective and—

WILLIAMS: So we built whole programs with Nokia, Nike, Lucent Technologies, Goldman-Sachs, Kimberly-Clark, Johnson & Johnson. It was quite an array of global partners.

Q: Well that sounds like an exciting opportunity and good fun.

WILLIAMS: Great colleagues.

Q: Yeah.

WILLIAMS: terrific, committed colleagues, both at IYF family and in our partner organizations. As I recall we had incredible leaders in Germany, Thailand, Brazil, Philippines, Ireland, UK, Kenya, and Jordan. Really remarkable people doing really good work and trying to make a difference in the lives of young people.

And those programs—many of those programs continue today, all these years later.

Q: So you stayed on and did that for about four years? Is that correct?

WILLIAMS: Four years, but it was time for a change.

Q: Right.

WILLIAMS: I loved IYF and its mission, but I was traveling 85 to 90 percent of the time.

Q: Right, and you had a long commute too, as I recall, because they were based in Baltimore.

WILLIAMS: (chuckles) That's right. And people don't believe this, but the commute never really bothered me, because I was dedicated to our mission and the excitement of our partnerships. Given my global travel schedule, I was only in Baltimore maybe once a week on average. I was in Finland, or Thailand or New York or San Francisco more than I was in Baltimore. (chuckles)

Four years on the road was a challenge, so I promised my family that I would make a change.

Q: Especially because you came back to the States so you'd be closer! (laughs)

WILLIAMS: (laughs) That's right. So that was my primary motivation.

So then, as always in life, opportunities present themselves. I had a conversation with Luis (A.) Crouch, a former colleague in South Africa, when he was a senior advisor to the South African Ministry of Education. He was one of the Research Triangle Institute's most prominent thought leaders. He is regarded as a preeminent education economist and was at one time the senior technical advisor for the World Bank's Education for All initiative. He had worked at RTI, International for many years and I have long admired his research and contributions to literacy programs around the world. He asked me if I would be willing to consider working at RTI. RTI's VP for international development was thinking about opening a Washington DC office. Interestingly enough, RTI was one of the few international contractor groups that at that time did not have a principal office in Washington, DC.

You look at, you know, the major players in the international development world—Chemonics (International), Abt (Associates), Creative Associates, DAI (Development Alternatives Incorporated)—they're all either based here, or in the case of Abt, have their largest office in DC. We didn't have that. So we aspired to grow our business at RTI, and they asked me to become the international group's representative in DC.

This was an opportunity to again work with a highly regarded, mission driven organization, in that RTI's mission was "to improve the human condition" AND I could reduce significantly my international travel. The executive who hired me was Dr. Ron

(Ronald) Johnson, an extraordinary leader, a visionary, a tremendous person of great integrity.

So it was a perfect opportunity. So that's why I decided to leave IYF and join RTI.

Q: And so this was in 2002.

WILLIAMS: Yes

Q: And so you came to create an office here—

WILLIAMS: Right.

Q: —in DC. And did— So that involved all the nitty gritty of deciding where you were going to be operating? And did programs have to be transferred from North Carolina up here, or—

WILLIAMS: No. The business units didn't change. I was RTI's rep with USAID and other international organizations.

Q: OK.

WILLIAMS: I was responsible for business development, tracking interesting and important bids, engaging with AID's leadership-- the political, the career, and the technical leadership.

Q: Right. And so this was 2002 to 2003. So I suspect that that some of that early important work was probably in Iraq? Is that correct?

WILLIAMS: Well, what happened was 9/11, the US led invasion of Iraq, and then the Iraq reconstruction that was launched in 2003. RTI was perfectly situated in terms of our extensive experience with local governance programs funded by USAID and the MDBs. We had 20 years of experience in implementing USAID funded local governance projects. RTI was one of AID's principal implementing partners for local governance programs in post war Central America. We had been a lead organization in the decentralization of governance in Indonesia.

So Ron and his colleagues—including the highly regarded Jim (James S.) McCullough, had a tremendous amount of experience in local governance. And that turned out to be one of the major components of the U.S. reconstruction program.

Special Note:

I would like to further highlight RTI's 2 key leaders for the Iraq Governance Project. First of all, Dr. Ron Johnson our corporate EVP, and former professor of municipal finance, was a highly respected development expert with 25+ years leading RTI's

International Development Group. He is an expert in local government, municipal service delivery, decentralization, urban infrastructure financing, and post-conflict governance. He is also the co-author the principal university textbook on “Public Budgeting “, now in its 8th edition.

Peter Benedict, our COP was well versed in Middle East region, with a great understanding of the history, culture and politics of that area of the world. He had studied the region during his graduate studies at University of Chicago, where he received his Ph.D. further, he was an expert on Iran, Iraq, and the United Arab Emirates, where he once managed humanitarian programs for the Ford Foundation, prior to working for USAID.

As you might remember, Carol, USAID awarded five major contracts for Iraq reconstruction. This included: infrastructure that was awarded to Bechtel Corporation; education, awarded to Creative Associates; health awarded to Abt; local governance awarded to RTI; and agriculture awarded to DAI.

In addition, RTI was a sub (sub-contractors) on the education contract, and Creative and Chemonics were subs to RTI on the local governance contract. That gave me a chance to work with a long-time friend and former colleague of mine, Peter Bittner, who was then a vice president at Chemonics. He was of great assistance in recruiting a senior team in record time, and was instrumental convincing Peter Benedict, a highly regarded former USAID Mission Director to serve as our COP.

Further, I had the opportunity to again work with the great Dick McCall, who at that time was at Creative, he joined our senior project mgmt. team. Another terrific hire was my former USAID colleague, Chuck Costello, who agreed to come on board as the deputy chief of party. Again, as in the case of Peter Benedict, Chuck was a highly regarded former MD who I had worked with in Latin America. The next important player, the chief of staff to our CEO, Victoria Haynes was Bert Maggart, a retired Army major-general, who had been one of the tank commanders in (U.S. Operation) Desert Storm. I was the final member of the team, and took on the job of DC liaison with AID.

Our corporate leader was Ron Johnson, who actually dedicated a big chunk of his time—80 percent of his time, if not more—as resident in Iraq, despite being the EVP for RTI’s international group in HQ in Durham, North Carolina.

So that was our 6 person Project leadership team for the Iraq Local Governance Project.

Q: And the contract was with USAID.

WILLIAMS: yes, because AID was in charge of the civilian reconstruction contracts.

Q: In the early days, weren’t people hired by the provisional authority to take local positions. I recall somebody becoming the mayor of Baghdad and various people—

WILLIAMS: Well, the US Ambassador was the mayor of Baghdad at one point. However, I believe you are probably referring to our former colleague , Hank Bassford, who was the “mayor” of Baghdad during the period of the Coalition Provisional Authority, (also known as the CPA).

Clearly Hank was an ideal choice for this position given his extensive USAID experience, ability to develop viable relationships with a wide and complex array of stakeholders and “constituents”(American military & civilian, Coalition reps, and Iraqis) and tested leadership skills in some of the most challenging Missions in the world, e.g.: Egypt and El Salvador. RTI’s Local Governance Team (LGT) team worked closely with Hank during his tour in Baghdad, and it was a very productive partnership as he took on some of the most demanding situations one can encounter in this fluid and treacherous operating environment.

Q: Right, right. Did you have to interface with them? Did they continue on in different roles in local governance? Were you having to interface with the Provisional Authority as well as being USAID contractors?

WILLIAMS: The CPA was led by (Presidential Envoy) Paul Bremer, and he could be viewed as a “the pro-consul” of Iraq. He was the top civilian authority, and of course he interfaced with the regional military commanders, e.g.: General David Petraeus and General Ray Odierno. I believe that each of the senior generals who led combat forces in Iraq went on to serve in the top jobs in our armed forces, i.e., chief of the Army, head of the Joint Chiefs, etc.

Our Local Governance team (LGT) reported, via the Mission’s governance officer, to the USAID mission director, who in the first year was Lew Lucke, and his deputy was Earl Gast.

Q: OK, so you reported to USAID but you did have—

WILLIAMS: We reported to USAID, which was the designated lead agency for the reconstruction civilian contracts that I previously mentioned.

At the same time, we also interacted with the CPA, given the national scope of our contract, in that we eventually established an office in each of the 19 governorates or provinces of Iraq. Peter Benedict or Chuck Costello or Ron Johnson would occasionally attend Bremer’s general staff meetings, and those meetings included both civilian and military officials and staff. The LGT’s primary working relationships were with USAID staff and the regional military officers.

Q: Right, right. Did the military provide security for your people out in the regions, or did you have to arrange for it to be provided?

WILLIAMS: Well at first we have little security, and no one anticipated the future deterioration of the so-called “permissive zones”.

The Iraq reconstruction program and the Afghan reconstruction, I think we all can agree, were “sui generis”, a one-of-a-kind endeavor. USAID had not been involved in such a mammoth undertaking like this, and probably the only comparison would be the startup of the Marshall Plan.

Q: Right, right.

WILLIAMS: we had to build our project infrastructure as we moved forward and operate in a totally new environment. Iraq is a country that Americans had very little knowledge of. We had been isolated from Iraq for decades.

Q: Right.

WILLIAMS: And at best, it had been a rocky relationship. And, of course a brutal dictatorship under Saddam (Hussein). In order to survive, Iraqis had confined themselves to their respective ethnic and religious groups, and were not prepared to work together yet.

Q: Yeah.

WILLIAMS: Initially there was a great euphoria with the demise of Saddam, and clearly a joyous situation for the Shia, who had suffered for decades under Saddam. We saw this wave of optimism throughout the country as we deployed our teams.

In my role as USAID DC liaison, I traveled to Iraq at least once a quarter for the first couple of years, usually spending at least a month out there as part of the team. My principal responsibility was to serve as the coordinator between AID-Washington and our LGT.

Q: Right. Were there any specific kinds of issues that you had to deal with in that liaison function? Or was it just making sure communication was good?

WILLIAMS: I was involved in all the major implementation issues that we faced out there. I was also part of the start-up team to help set up our offices in the provinces. I was aware of our implementation challenges on the ground, and I spent considerable time briefing congressional staff, and occasionally Senators and Representatives. There were extensive coordination meetings with the frontline USG agencies, and continual conversations with interested journalists.

Obviously, there was this widespread interest in the Iraq reconstruction program, and a strong desire to see positive results immediately given the massive funding that was provided across several sectors.

Q: Right.

WILLIAMS: however, this groundswell of optimism, both in Iraq and in America quickly started to disintegrate as the violent uprisings began.

Q: In retrospect, are there any things that you think could have been done? Not vis-à-vis the larger war. But in the purview of what you were working on and ways in which the contracting was done and things that you think could have been done that might have made things easier?

WILLIAMS: Well, I think, we were in a very good place, because we were working at the local level working to empower Iraqis to govern themselves, for the first time in their history. And this was a new phenomenon, because in the past, Saddam had appointed all the governors and other local officials in the provinces. Further, given the relatively excellent university education in Iraq, we were able to hire hundreds of talented professionals to work on the local governance teams and with our Iraq HQ team led by Peter.

So we helped to arrange some initial elections. Our provincial teams created systems and ran training programs that trained, and provided local officials with the tools to interact with the citizens of their area. We spent a lot of time talking about why citizen participation was important in a democracy. Across the nation, we worked with the US and British military and Iraqis to organize the first citizen led committees. These committees operated at the neighborhood level, the municipal level, and the provincial level.

It was gratifying to see how the Iraqis embraced the opportunity of “democratic, citizen elected governance”. We saw this trend all across the country, despite the ethnic and religious schisms that local committees had to deal with, in real time.

Q: I really know nothing about Iraq. But from the newspaper discussions of the past, one of the big issues debated was the Provisional Authority’s decision not to allow any Baathists to function, at least at the national level.

Did you have to face that issue in the local governance program? Were these folks that you were training or that were going to be playing roles at the local level, had they been part of the Baathist party or not? Or did you have to deal with that issue at all?

WILLIAMS: I think there was a mindset in the CPA that “de-Baathification was essential, modeled on the “de-Nazification of post WWII Germany.

Q: Right.

WILLIAMS: Therefore, they decided to eliminate Baathists from positions of authority. Unfortunately, in the case of Iraq, pretty much everybody had to be a member of the Baathist party to survive. So essential people were targeted for removal from their positions across all government agencies and at all levels, including teachers, doctors and

nurses. The execution of this policy greatly puzzled nearly all of USAID's implementation partners.

Q: So they were removed from local governance. Well, there really wasn't a local governance structure?

WILLIAMS: No.

Q: Right, OK.

WILLIAMS: So we obviously had a concern about how we vetted people for positions. But, you know, it was very difficult to know who had been a Baathist—a member of the Baathist party or not. But one thing was for sure: The vast majority of people in the public sector had been members of the Baathist party. (chuckles)

Q: Right, OK.

WILLIAMS: I mean, how could you not be? If you weren't a member of the party, you weren't going to get a job.

Q: Right, right. But in terms of your work, people weren't excluded because—

WILLIAMS: No, we tried to avoid the exclusive use of that specific criteria.

Q: OK. OK.

WILLIAMS: We looked at whether they were respected, and accepted by the greater community.

In some of the regions, the communities were very diverse. For example, I worked in Kirkuk as the LGP team leader for a month and a half, and that's the most diverse part of Iraq. It was a region where the population was comprised of Kurds, Shia, Sunni, and Turkman. And they wanted to have a voice. It was quite an amazing snapshot of the challenges of working in Iraq.

RTI managed the LGP contract, including follow on contracts for seven years.

Q: Seven years.

WILLIAMS: Yes.

Q: In successive contracts. At the end of the day, was it successful in terms of putting in place some local governance structures?

WILLIAMS: Certainly it was successful in terms of putting together some local governance structures, and giving Iraqis a taste of what it would be like to self-govern.

But of course, none of this operated in a vacuum. The major geopolitical issues of the day played out in the USG policy in Iraq, and the violence from the insurgency and the internal politics of Iraq were then, and remain today major challenges for both the US and Iraq.

In my view, AID did an excellent job of trying to provide resources to help Iraqis become a self-governing nation and move them along the road to democracy. But there were incredible external and internal forces operating against them. So it was tough and complicated. The situation continues to be complicated and difficult to this day.

Q: Yeah, right. Did you have to deal at all with the religious differences and the Shia, the Sunni differences? Did that impede your work as well?

WILLIAMS: Oh, sure, that was the reality. Under Saddam, he operated a basically secular state, of course with a Sunni dominated society. Then once this dictatorship was eliminated, the long-standing and historic conflict was unleashed.

The Sunni population was, of course, very much threatened, because they were the minority. And the long-suffering Shia population now felt that they were empowered to take their “rightful” place in a new democratic Iraq.

So the things that stand out to me were, number one, our extraordinarily great working relationship with the U.S. military, where the military quickly realized that AID and its contractors were an important part of this reconstruction and transformation of Iraq. And in most cases, my experience was one of outstanding cooperation and recognition of who needed to do what.

Interestingly enough, the military also had their own “reconstruction” resources. The regional commanders had a special fund, the CERP (Commander’s Emergency Response Program) (chuckles) for local projects. These funds were used for rebuilding and reconstruction projects, and gave the local military units the latitude to support local projects that they deemed of value to the various towns or province. The RTI provincial teams coordinated their work with the provincial military units so as to create synergy and consistency in our joint programs.

Q: Could they fund, like, little infrastructure projects and stuff like that?

WILLIAMS: They could fund pretty much anything they wanted to!

Q: If U.S. supported local governments were coordinating with them, then you could get resources to local governments— Would they do it?

WILLIAMS: Theoretically you could get money to increase the level of funding for a local project. The key was the on the ground coordination, and it tended to work well due to the mutual respect and rapport between the military and civilian team leaders.

Q: Were there formerly what they referred to in Afghanistan as PRTs (Provisional Reconstruction Teams)?

WILLIAMS: Yes, and as a matter of fact, the PRTs started in Iraq.

Q: OK.

WILLIAMS: in the latter years of our contract, we were directed to assign staff to the PRTs: Provincial Reconstruction Teams. They were co-led by either the military or civilian.

Q: OK, and even though the contracts were still USAID contracts. So that must have been kind of complex to sort out.

WILLIAMS: It was complex. Here was the scenario. The LGP began as a standard AID contract. As a contractor, we reported to a member of the USAID mission team or technical leader in Baghdad, or one of AID's regional representatives.

And, yes we sometimes had to carefully maneuver through that sometimes confusing organizational structure, without a doubt. But it wasn't impossible, because we developed good relationships across the board.

However, now we were asked to engage with this new operational model, the Provincial Reconstruction Teams. Clearly our people were important to the teams because they had critical technical skills. For example, we hired scores of former city managers and civil engineers, and these experienced professionals could be easily placed in the PRTs.

Q: And these were mostly expats (expatriates)?

WILLIAMS: No. I would say, probably in any given province we had 30, maybe 40 percent expats. And probably 60 percent were Iraqis. We employed thousands of Iraqis, most of them were very talented, and well-trained professionals from many different technical backgrounds.

You know, Iraq is country rich in human resources, and of course with enormous oil and gas wealth. If this nation could create a governable nation that would allow for peaceful coexistence within its multi-religious, multi-ethnic society, Iraq could become the leader of the Middle East!

They're also an agricultural powerhouse. After all, we are talking about the historic Fertile Crescent region between the Tigris (River) and the Euphrates (River)! (laughs) Right?

I can see in my mind's eye right now, when we first arrived in Hillah on the banks of the Tigris and the near Babylon. This was the cradle of civilization, what incredible potential exists in that country.

Q: Right. Just out of curiosity— Since you had many Iraqis that were working for you, do you know how many of them remained in Iraq or did many of them became refugees?

WILLIAMS: Like most of the contractors that worked in Iraq we were concerned about the increased level of violence and threats to current or former RTI staff and their families. We then sponsored quite a few so that they could immigrate to the US under the special guidelines that were established. So I would imagine a good percentage left Iraq. I would hope so if they wanted to. They deserved that opportunity.

Q: Right. Anything else related to the Iraq work you'd like to mention? Did you become a member of ACVFA (Advisory Committee on Voluntary Foreign Aid), during this period? I know you were at some point.

WILLIAMS: I was a member of ACVFA during my initial period with RTI, I believe it was 2007-2009.

Q: Well, I'm just sort of curious. It's probably not so important when it was. But it certainly was before you went to (U.S.) Peace Corps.

WILLIAMS: Oh, yeah. Definitely, yeah.

Q: So it was during that period.

I'm curious whether you had any observations as a member of ACVFA? The Advisory Council on Voluntary Foreign Assistance – believe its representatives are appointed by the AID Administrator. They come from the NGO sector primarily, but also some from academia and the for-profit area.

WILLIAMS: You know, I don't have many memories about that. Nothing significant.

Q: OK. Nothing significant.

WILLIAMS: It was an advisory group. We met a couple times. But nothing that was noteworthy as far as I can remember at that period of time.

Q: OK. Well, that's fine. Is there anything else on the—this period with RTI and your work.

WILLIAMS: Well, the LGP in Iraq was the most intense project I have ever worked on in my career. And many development folks who worked out there or in Afghanistan will share similar experiences. I spent 75-80% of my time on the LGP, engaged both in DC, with our HQ, and with frequent travel in country. Due to the LGP, our international business greatly expanded, and this was the catalyst for additional growth in other sectors by RTI, as we began to bid on larger projects across all sectors of AID.

Q: Right, and during this period, the President's emergency plan on HIV/AIDS (President's Emergency Plan for AIDS Relief, also known as PEPFAR) began. And I assume—

WILLIAMS: And also the President's Malaria Initiative (PMI).

Q: —and the malaria initiative. So you became a big actor in the health sector as well?

WILLIAMS: We did. We had been a relatively small contractor in the international health sector. The first major USAID award was under PMI, with the "Indoor Residual Spraying" contract. We did not become major players in the HIV/AIDS arena because RTI choose not to bid on the major supply chain contracts,.

Q: OK. But you did on malaria.

WILLIAMS: Yes.

Q: Was that primarily on bed nets work? Or was it private research?

WILLIAMS: It was primarily indoor residual spraying.

Q: Ah, OK.

WILLIAMS: That's where we focused most of our attention. That was our area of technical leadership. The contract provided a broad range of technical services, focused primarily on the indoor residual spraying, but it also included the training of local health care workers, liaison with the ministers, building information systems, assistance in monitoring and evaluation, and budgeting systems.

RTI's basic approach, Carol, in all sectors is to look for multi-disciplinary approaches. We look for ways to improve in all sectors, and we always incorporate innovative management information systems to assure effective implementation of any given project.

Q: Right, and then particularly that focus on local governance and decentralization.

WILLIAMS: That's right.

Q: Just a North Carolina-related question that, because a couple of major actors in the health sector are also located in North Carolina.—

WILLIAMS: yes, for example FHI 360, IntraHealth, and Futures Group are major firms that work in international development

Q: Just out of curiosity, was there much collaboration among those three big consulting entities that are all based in the Research Triangle area?

WILLIAMS: I think that we all have been a subcontractor on each other's projects and we'll no doubt continue to do that. So there's a certain level of collaboration and coordination. But there's also a lot of competition. We also compete fiercely for many contracts and grants.

Q: Right. But you all also have a sort of a strong connection to North Carolina.

WILLIAMS: Yeah. And you'll see more of that in the upcoming days as we form our coalition to speak out against the deep cuts in the foreign assistance budget, especially in areas of global development. The coalition is going to be stronger than it's ever been.

Q: So North Carolina is speaking out! (chuckles)

WILLIAMS: That's right! (laughs)

Q: So you were in this vice president position at RTI for, really, seven years. And there was an election that took place in 2008.

WILLIAMS: I remember that! And Barack Obama became president of the United States.

Q: Right, and I believe you got somewhat involved in the campaign?

WILLIAMS: I was very much involved in the campaign. I was honored to be asked to be part of the Obama-Biden transition team for the foreign affairs agencies. I was the co-lead with Gayle Smith, a good friend and former colleague from our AID days.

Q: Yeah, we should talk a little bit about that, the transition team and what the transition team does. But just before that, since you are from Chicago originally, did you know, or had you ever met Obama or Michelle (Obama)?

WILLIAMS: No because he arrived in Chicago many years after I left to join the Peace Corps.

Q: And then he's much younger than you! (laughs)

WILLIAMS: (laughs) He's much younger than I am. Much younger. Much younger than I am. (chuckles)

Q: I was going to say, Did you know Michelle? But she's much younger too.

WILLIAMS: She's much younger also, although Michelle did go to high school with my cousin. We have a yearbook! Like your story with Hillary Clinton, we have the yearbook, right? She went to high school with my cousin, where they attended this acclaimed magnet school on the South Side of Chicago.

Interestingly enough her family's home is just 10 blocks from my grandmother's house. Same street. Ten blocks apart. (chuckles) .

Q: So the Chicago connection may have even—

WILLIAMS: I first met President Obama when he ran for the (U.S.) Senate. He represented the neighborhood I grew up in Chicago. And so that's how I first learned about him, became a supporter and got involved in his presidential campaign.

Q: OK, so then the transition team: You and Gayle Smith led that—

WILLIAMS: The Obama – Biden Transition Team leadership consisted of 3 co-chairs: John Podesta, who was Bill Clinton's last White House Chief of Staff and the president/chief executive officer of the Center for American Progress, Valerie Jarrett, one of Obama's longest-serving advisers, and Pete Rouse, Obama's Senate chief of staff.

The National Security group was led by Sarah Sewall and John Brennan. Dr. Sewall is an expert on civilian security and human rights, who later served as Under Secretary for Civilian Security, Democracy, and Human Rights in the administration. Mr. Brennan, of course, initially served as President Obama's Deputy National Security Advisor for Homeland Security and Counterterrorism, and subsequently was appointed as Director of the CIA.

Our transition team, co-chaired by Gayle and me, reported to Sarah. The State Department transition team was led by Tom Donilon and Wendy (R.) Sherman.

Q: OK. Can you talk just a little bit about how a transition team, works?

WILLIAMS: Sure. So our team was responsible for AID, the MCC (U.S. Millennium Challenge Corporation), *PEPFAR*, OPIC (U.S. Overseas Private Investment Corporation), TDA (U.S. Trade and Development Agency, also known as USTDA, and we had a dotted line relationship with the Peace Corps.

Q: Yeah.

WILLIAMS: as a first step, we selected lead people for each of those organizations.

Q: Did you name those, or did the White House or the President's transition team name them?

WILLIAMS: As I recall, the co-chairs of the overall transition gave us some suggestions, and Gayle and I also recommended other individuals.

Naturally, we wanted experts on the team who had substantial experience with the agencies. Gayle and I were the co-leads for AID. We were fortunate in recruiting

outstanding development experts such as Rick (Frederick) Barton, who had launched and led OTI at USAID, aka the “crown jewel of AID”. Rick went on to have a series of senior positions in the administration, serving as U.S. Representative to the Economic and Social Council of the United Nations (ECOSOC), - at the USUN Mission, and later as the first Assistant Secretary of the Bureau of Conflict and Stabilization Operations (CSO). Valerie Dickson-Horton, a former senior USAID official, served as both Mission Director and acting AA/Africa Bureau, with vast experience in Africa. We asked Esther Benjamin to join us, former CFO at IYF colleague, former White House Fellow; who later became a key member of my senior staff at the Peace Corps, in a new position as the first Director of Global Operations. Sheila Herrling was our MCC lead, and went on to serve served as Vice President for Policy and Evaluation at the (MCC); previously she was a senior policy director at the Center for Global Development, served in senior policy position as the Department of Treasury, including as an adviser to the U.S. executive director of the African Development Bank. Natasha Bilimoria, our lead for PEPFAR, was the President of Friends of the Global Fight, where she led U.S. efforts to support the lifesaving work of the Global Fund to Fight AIDS, TB and Malaria. Larry Knowles, a highly regarded Congressional expert, and former senior CRS executive, was our Congressional liaison. The final member of our team was Semhar Araia, a lawyer and former Congressional staffer, who is a practitioner and thought leader on diaspora engagement, African affairs, women's leadership and international development. Further we were fortunate to have on our team some of the talented young professionals who had worked in the Obama campaign, including our Executive Assistant, the dynamic Dar Vanderbeck and our IT+ wizard, Adam Poswolsky

One of the overarching goals of the Obama-Biden transition team was to assure that we engaged in the broadest possible open and transparent dialogue with the development community, covering all sectors. With that goal in mind, we held hundreds of meetings with the important stakeholder groups. Some examples would include the following organizations: InterAction (the largest alliance of U.S.-based international nongovernmental organizations (NGOs) who focus on disaster relief and sustainable development; the broad cross section of the global health community, the micro-finance community; agricultural and rural development advocacy groups, MFAN - Modernizing Foreign Assistance Network (MFAN advocates for more effective and accountable U.S. foreign assistance); global business leaders, including the USGLC (the unique coalition of global corporations, international NGOs and think tanks, that advocates for a strong International Affairs Budget as a keystone of U.S. foreign policy); the major US foundations engaged in global development, environmental research and advocacy groups, and leading higher education associations and advocacy groups, etc.

Carol, you’ll recall that you participated in one of our consultation meetings.

Q: Yes, right. I was a member of MFAN.

WILLIAMS: You were able to see this process in action. I found these consultations to be very interesting and the essence of our important engagement with literally hundreds of experts and advocates across the international development spectrum. It was exciting

to hear new ideas, engage in a healthy debate about existing programs, to provide an opportunity for these experts to speak openly about policy positions and specific programs that the new administration should pursue.

Special Note:

In my view, Gayle Smith was uniquely qualified to lead this transition team given her vast experience on development and democracy issues. Gayle has that rare combination of both hands-on developing country experience, and senior USG policy expertise. She had served as special assistant to President Clinton and senior director for African affairs at the NSC. Prior to working at the NSC she founded the sustainable security program at the Center for American Progress, and co-founded the ENOUGH project and the Modernizing Foreign Assistance Network. Subsequently, during the Obama presidency, she served as special assistant to the President and senior director for development and democracy at the NSC, of course, continued her distinguished service in the administration as the Administrator of USAID in the second term.

Our transition team received tremendous support and cooperation from each the target agencies, and we had an especially productive working relationship with USAID thanks to the outstanding leadership of Alonzo Fulgham, the acting AID Administrator, and Barbara Feinstein the lead AID coordinator and their superb internal transition team. They provided outstanding support and worked tirelessly to provide access to the key agency leaders, major USAID partners, and documentation that our team required for this exercise.

Q: Now one of the things that certain advocacy groups were promoting at this time was a consolidation of various aid agencies. The concern about the dispersion of responsibilities between USAID, MCC, PEPFAR, and others.

And so I know that the Modernizing Foreign Assistance Network and Brookings (The Brookings Institution), among others, were recommending consolidation under a single agency.

WILLIAMS: And also there was a lot of talk about a Cabinet-level agency.

Q: Yeah, yeah. Was that discussed? Or maybe you can't say? But—

WILLIAMS: You mean, was that a possibility—

Q: Was that a possibility?

WILLIAMS: — As a new Cabinet Department? Well, it never got very far, as I recall, because there was a long lag time in naming the AID Administrator. However, following the nomination of Hillary Clinton as Secretary of State, then she became the lead person in deciding the future direction of AID and foreign assistance.

In terms of the overall process, the consultations and analysis that we engaged in resulted in the drafting of various theme papers and agency reports. These various work products were then combined into a draft report. Then we of course, we fully briefed Secretary Clinton's team and Alonzo (L.) Fulgham's team regarding our findings and recommendations. Our recommendations were well received by the transition team leadership.

It was clearly a very interesting period of my career. Being on a transition team is a unique experience; you are engaged in a historic process that in many ways defines American democracy -- the peaceful transition to the new administration. In addition to the important work that one is engaged in, there is the daily scenario of the Transition writ large. By this I'm referring to the opportunity to observe the stream of prominent visitors to the Transition Team's headquarters. On any given day, the leaders of our society were coming and going into the headquarters building, and I recall seeing on various days a wide range of people including: Ralph Nader, Zbigniew Brzezinski, T. Boone Pickens, Warren (E.) Buffet, Bill Gates, and we often saw former Carter and Clinton administration cabinet members, etc. It was a period of great optimism and hope.

Q: Do transitions teams get involved with making recommendations for staffing for the Administration?

WILLIAMS: Yes, we certainly did. We had candidates for specific appointments. We had extensive discussions with PPO (Office of Presidential Personnel, also known as OPP) at the White House. Further, we also made recommendations for the retention of certain political appointees from the Bush administration.

Q: OK.

WILLIAMS: So, Carol, with the completion of our transition work, and given that I had taken a leave of absence from RTI, I returned to RTI. I had made a solid promise to Rosa that I was not going to go back into government circles. (laughs)

Q: (laughs)

WILLIAMS: Further, I had told RTI I was going to come back to my previous position. (laughs)

Q: Yes!

WILLIAMS: And then I got an offer I couldn't refuse!

Q: Right, yes! And tell us what that offer was.

WILLIAMS: That offer was to be Director of the Peace Corps. This was the one offer that I felt that could not turn down, it was far too compelling given my previous relationship with the Peace Corps, and the impact that my service had had on my life.

In my view, it would be an honor to serve on President Obama's team, to lead an agency. Second, my Peace Corps experience, as a Volunteer and staffer, had been transformational in my life and set the stage for my personal growth and professional career. Third, it would give me a chance to reconnect with new generation of Peace Corps volunteers.

It was gratifying to see the tremendous reception that my nomination received from the returned Peace Corps Volunteer (RPCV) community. I was amazed, totally surprised and honored that many of them signed a petition on behalf of my candidacy. I did not campaign for the position, given my plan to return to RTI, and certainly was not aware of a national petition. From what I learned later, the petition movement sprang up from the RPCV community when it was reported that I was being considered, and it was reported that I was a returned volunteer...a factor that is always important for the RPCV community.

Q: Yeah. What was the timing of this? How long did the transition team continue its work? Do you recall? And then when were you—

WILLIAMS: Well, I recall getting a call from Gayle about joining the team at Thanksgiving.

Q: Right, yeah. Early after the election. And then how long did you continue to work, like until March or April?

WILLIAMS: Let's see. We didn't actually start work until January, because I remember filling out my paperwork for the transition team during the Christmas break.

Q: OK.

WILLIAMS: I was in the Dominican Republic at a resort, trying to use their very inadequate WiFi (wireless fidelity) and computer. It was a struggle to complete the massive background questionnaire—the Standard Form (SF) 86.

Q: Yeah, yeah.

WILLIAMS: (chuckles) So I remember that! And then I think we started in late—early January and completed our work in late April, and I returned to RTI.

Q: OK, so the offer to become Peace Corps director came then in, sort of, April?

WILLIAMS: No, it was actually later than that. I was nominated in July 2009, and I was confirmed in August.

Q: OK.

Q: Oh, you had gone back to RTI?

WILLIAMS: Yeah, I went back to RTI, and then received the surprise call.

Q: OK.

WILLIAMS: I had been asked to consider other positions in the Administration, which is not unusual, if one serves on the transition team. The other positions were excellent positions, but not what I was particularly interested in doing.

Q: Yeah, right. OK.

WILLIAMS: Let's leave it at that. (laughs)

Q: Exactly. That's fine. That's fine.

And so the call comes in July, asking you to be Peace Corps director, and you said yes. And you began to get prepared and have your hearing in August 2009.

WILLIAMS: Yes, August 2009.

During my tenure as the Director of the US Peace Corps, I was engaged in a wide range of policy directions, global initiatives, management and program issues, AND the activities associated with the Peace Corps' 50th Anniversary. Due to the vast scope of activities during my period as Director, I would recommend that we cover this in a separate oral history.

Q: That sounds reasonable to me.

Q: Let's see if we can kind of just wrap up, or we can have another session if you like. Particularly on any concluding thoughts on your lengthy career in international development and the different perspectives and seats that you've sat at.

WILLIAMS: Yeah, boy, I never thought that anybody would refer to me as having a lengthy career when I first started out on this road. (chuckles) I've always been the youngest at anything I've ever done.

Q: You're no longer. I hate to tell you, Aaron (chuckles), you're not!

WILLIAMS: I'm not! That's right! (chuckles) I'm always been the youngest: mission director, Peace Corps volunteer. Those days are over. That's done.

So I would like to have a final wrap us session when I return from vacation. You want to do that?

Q: Yeah, absolutely. Absolutely.

WILLIAMS: How about May after I get back from vacation?

Final Concluding Thoughts – Accomplishments and Lessons Learned

Q: OK, this is Carol Peasley, and it is May 17, and I'm with Aaron Williams. And we are continuing our discussion.

Aaron, maybe — I think we've kind of gone through your career, and now we'd like to wrap up and maybe talk about sort of major accomplishments and lessons learned. And maybe the easiest way to do that is to sort of start and just walk through, very quickly, your career again with USAID, looking at Honduras to start off on. The things that you thought were important accomplishments in USAID during the period you were there. And any important lessons learned that you have.

WILLIAMS: That's a great way to organize it, Carol. So I think in terms of Honduras, the number-one thing I learned is that it's important to have the right leaders in each of your technical areas.

In my view, we had a very strong mission in Honduras, primarily because we had very strong, dynamic mission directors, such as Frank Kimball and Jack Robinson. These were leaders who were not universally loved by all (chuckles), but who were powerful, very experienced in our business, and were influential due to their knowledge and determination. They were masters at productive engagement with the host government, supremely effective in managing the AID/W relationship, and very savvy in managing their relationship with the US Ambassador and the country team.

Frank and Jack were astute in building a team of senior officers for each of the sectors, whether it was education or health or rural development and agriculture. And each of them brought significant experience to bear, and were outstanding mentors to those of us who were young officers at the time.

So it quickly became apparent to me the value of having strong mentors. One of the problems that AID had to endure in the '90s, due to the major reorganizations and eventually the RIF (Reduction in Force), is that we lost that cadre of mentors. We lost many valuable senior-, middle-management people to serve as mentors to young officers coming up.

Q: Yep.

WILLIAMS: And so now we see in many ways an agency where you've got a reduced cadre of senior managers. I see often very little depth between mission director or deputy director and his or her staff. Fortunately, we had that in the '70s when I started with AID.

The second thing is that the USAID/Honduras made significant investments in key sectors that were crucial to Honduras's future development, such as infrastructure, such

as agricultural development. Overall, very large Participant Training (Program) investments, as you remember, that really paid off. The vast majority of the young people that we invested in via the USG Participant Training programs came back home, after they got their graduate degrees, and became leaders in business, government and the NGO world—for decades. Some of them continue to hold key positions in Honduras, El Salvador, Costa Rica, and Guatemala.

I think we established an incredible reputation for the United States, despite the fact the United States, in Latin America especially, still had this overriding, banana republic, “Colossus-of-the-North” tension. But overall, AID was very well respected.

I observed that the State Dept FSOs in the embassy had great respect for the people who led AID and for the programs we were engaged in. It was a wonderful time for AID, those were halcyon years, and especially in ‘70s, in Central America, without a doubt.

Q: Well, that sounds— Those are all the important. And I think people often forget that reputation and sort of one’s position within the public in a country is quite important to having that kind of leadership.

WILLIAMS: Yeah. And to have serious, focused leadership, even if everybody didn’t universally love our two directors, they were universally respected!

Q: Right, right.

WILLIAMS: Now Haiti is a different situation, because this was the beginning of the Caribbean Basin Initiative. And so there we saw a nexus between the CBI opportunity—a historic opportunity—and the attempt of Jean-Claude Duvalier, “Baby Doc”, and his cabinet to pursue a ‘progressive’, in Haitian terms, agenda. It appeared to be a grand opportunity to reform and create a development path for the improvement of the social well-being and economic well-being of his country after the long, dark François Duvalier dictatorship.

So he brought appointed in his cabinet a number of young technocrats who had been educated in the United States, Canada and France. They wanted to, at least ostensibly, wanted to make a difference. So we had eager counterparts in the Haitian government for the first time, probably since the (U.S.) Marine occupation, who were interested in trying to work for the betterment of the average poor citizen of Haiti.

Fortuitously, we had the additional funding of the Caribbean Basin Initiative. So in addition to our traditional maternal and child health and family planning, education, and agriculture development programs---that AID had been supporting for quite some time, we had a new private sector initiative.

And that allowed us to interact, not only with the government, but also with the leaders in the business community in Haiti. These were the people who were on their way to

building, 200-500,000 jobs in the country at the time when we had the special trade preferences under the Caribbean Basin Initiative.

So that was an exciting and interesting times. I would suggest that was the era when the Latin American Bureau's private sector initiative took off, not just in Haiti but all over Latin America and the Caribbean. At the time, Peter Bittner was an innovative leader and go to person in AID/W.

Q: Right, and you all were the leaders within the agency in how to do all of this.

WILLIAMS: Yes, we were. I think that's right. We worked in trade and investment promotion, export promotion. We worked in creating development private banks, which were important in Haiti, and I'll tell you a little more about that when we talk about Costa Rica.

And again, we had leadership that was respected across the government, business and civil society sectors in Haiti. Harlan Hobgood, and Phyllis Dichter-Forbes were energetic and risk takers in terms of innovative programming. And they were amazing representatives in terms of their public presence and engagement with the Haitian people overall.

That's also when I first worked with (William) Stacy Rhodes, who became my lifelong friend and colleague in USAID and Peace Corps. We shared the RPCV experience, had a great interest in designing innovative programs, and had a deep respect for our Haitian counterparts.

So I think our ability to support the emerging reformist movement in Haiti was important. And we also convinced the local business leaders to work with us. We believed that our approach was a way of avoiding their traditional way of exploiting government weakness for their own gain, which they of course were not going to relinquish just for the USG. However, they were willing to try some of these new ideas. And so for the first time, you had Haitian entrepreneurs investing in private banks as a collective, not just as a family-owned bank.

This of course didn't last forever, because then, Jean-Claude Duvalier married a woman whose family was extraordinarily corrupt. His one predilection and the marriage signaled the beginning of the end.

Q: It was the beginning of the end.

WILLIAMS: And which led eventually to Aristide's presidency, twice. The coup and then the United States reversal of the coup and the restoration of Aristide. At that moment in time, we were creating hundreds of thousands of jobs in Haiti, which also became as eventually a political problem for USAID given the heated debate of the US presidential campaign --between Bill Clinton and Al Gore and the H.W. Bush presidency.

The major accomplishments in Haiti I think were— It's hard to say “accomplishment” and “Haiti” in the same sentence, right? (chuckles)

Q: Right.

WILLIAMS: But I would say the— Providing the alternative health care through private NGOs was important, especially in terms of maternal-child care and family planning.

The Haitian Ministry of Health was just too weak and underfunded to be able to absorb and carry out the programs that we thought were important for Haiti. So the NGOs played an important role. That's where Linda Morris, the director health office, preformed her extraordinary work.

I think the other thing that the Mission accomplished, albeit temporary as it turned out, was completion of major public works projects. The USG invested in major public works projects such as the construction of farm to market roads, truly critical in Haiti, more importantly, the creation of a special department for the maintenance of public works. Tibor Nagy and Gene George, two impressive officers who had tremendous careers with USAID, led that.

Tibor of course had been one of the leaders of the Hungarian Revolution in 1956, and was forced to leave Hungary and then became leading engineer in USAID. Gene went on to have an outstanding career as a Mission Director, and senior USAID official in AID/W.

Q: Right.

WILLIAMS: As I reflect on Haiti those are my thoughts on our accomplishments. Also, as I found in Honduras, we young FSOs had a very positive and closely-knit relationship in both our collective work, and in raising our young families. This “esprit de corps” made our overall experience a wonderful period for us and our families....we forged friendships that have continued throughout our careers.

Q: OK. Yeah, it was a very strong mission during a time when there was hope. And I think when that hope was dashed, it probably—

WILLIAMS: It was never recovered.

Q: —the missions themselves didn't have some of the strength to—

WILLIAMS: We had a window in Haiti. I also recall the outstanding work that Derrick (W.) Brinkerhoff, (my longtime friend colleague and RTI Distinguished Fellow at RTI), did as a special consultant to the Mission. Derrick was a leading advisor on the 7 person team led by Norm Nicholson that conducted an assessment and recommended plan for the reorganization of the Haitian public sector. (chuckles) this was the brainchild of

Harlan Hobgood, based on his work on a similar project on behalf of the famous Marshal Tito in Yugoslavia.

Q: Yeah. You know—

WILLIAMS: Now, - Costa Rica.

Q: Right.

WILLIAMS: The USAID/Costa Rica Mission was one of AID's major accomplishments, without a doubt. Then and now.

We had a unique leader in Dan Chaij. First of all he grew up in Costa Rica and knew first-hand, as a friend, a lot of the leadership in Costa Rica, in all political parties. He spoke fluent Spanish. He was well versed in Latin America. He has tremendous experience in Latin America.

Most importantly he had vision, and sufficient funding to build and support a multi-billion dollar program. We had ESF (USAID Economic Support Fund) and the local currency we generated as a result of that ESF.

Q: Right because this, again, was the Reagan administration.

WILLIAMS: Reagan administration.

Q: There were huge amounts of money in Central America.

WILLIAMS: it was the era of combating what was perceived as the communist threat in the Americas, and the potential spread of communism in El Salvador and Nicaragua. At this point Honduras was primarily a staging ground for the build up against the insurgents in Central America.

Q: Right.

WILLIAMS: The war had not reached Honduras. There was no guerilla activity in Honduras. But Honduras was at risk in my view. I believe that Honduras could've gone the way of Cambodia. It didn't. It barely escaped.

Q: Yeah.

WILLIAMS: The other thing, which is important to talk about in terms of Costa Rica in Central America in those years, in the '80s, that is that AID was under extraordinary pressure to support the Contras as part of the Reagan administration's policy.

AID mission directors in all of these countries—in Guatemala, in El Salvador, Honduras, Panama, Costa Rica—all resisted becoming part of the Contra initiative. You know, even

extend a grant agreement to the so-called “Contras” organization and call it an NGO, it really wasn’t.

As you might recall several State Department officers came under bureaucratic attack and lost their jobs due to this “policy tension”. Fortunately no AID mission director, to the best of my knowledge, was ever accused of any complicity in working—in using taxpayer dollars for the Contras.

Q: Well, wasn’t Ted (D.) Morse running some kind of a program?

WILLIAMS: Ted was running a special program of assistance, but it was not a mission run program.

Q: But it wasn’t being done out of the missions.

WILLIAMS: No, it wasn’t. That was a Washington project.

Q: It was a Washington activity. So AID was doing something but not through the missions, as you’re saying. And as I recall, they worked in tandem with the inspector general’s office to make sure that there wouldn’t be issues.

WILLIAMS: Well, that’s right. Because the assistance of the Contras— Well, as a matter of fact, that’s when I learned the word *pari passu*. (laughs)

Q: (chuckles) That’s a very important thing for a career.

WILLIAMS: Right? Yes, and also — What’s the word? The simultaneous audit. What do you call that? What would you call it? There’s a term for that. And that’s when we first launched that approach of parallel audits. Audits during the process of implementation, right?

But enough of this historical digression, let’s return to Costa Rica. So again, we had superb leadership, as a matter of fact Dan had two strong deputies, first Bastian Schouten, followed by Dick Archie—two different styles, but both very experienced officers. We had an excellent staff and experienced staff. We had extraordinary rapport and relationships with the Costa Rican government and Costa Rican private sector.

Dan Chaij was able to play an advisory role in renegotiating the sovereign debt of Costa Rica with the New York and European banks. We were involved in: the privatization of the large parastatal corporations in Costa Rica; assisting the GoCR in their attempt to privatize the national public banks; and in designing a large export and investment promotion program with both the government and the private sector. We worked with the private sector to create three new banks—private banks—in Costa Rica.

Q: Really, in many ways, it was kind of a model of what people now talk about with assistance being a small proportion of the money that’s going into the developing world.

That much of it is directed foreign-directed investment. In many ways, you all were doing that kind of work long before it came to be.

WILLIAMS: first of all, the Costa Rican leaders deserve maximum credit. The government and business leaders through several presidencies had a grand vision for the economic transformation of their nation, and USAID was prepared to assist them in achieving this vision. So under Dan's leadership we were able to design and implement a truly innovative portfolio that delivered the results that were desired by the GoCR. As you would imagine, during that period AID/Washington often praised him, and his ideas were touted across the Bureau. Unfortunately, he was later involved in a controversial IG (USAID Office of the Inspector General) investigation of his tenure as MD. This occurred after he had been re-assigned, but regrettably, not a positive ending to his career.

Q: Yeah.

WILLIAMS: As we saw it, most of the GOCR cabinet was outstanding, many cabinet ministers brilliant, very competent leaders, and people of great integrity. We worked closely with the president, the vice president, and the minister of the presidency. So we had access and worked with them hand-in-glove. And the U.S. ambassadors to Costa Rica, in each and every instance, gave us the support and latitude to do work in such a fashion.

Q: Yeah.

WILLIAMS: I think the results speak for themselves regarding the private sector-led programs in Costa Rica; they were truly significant. The institutions that we helped create and develop, for the most part, they still continue to this day. As a matter of fact, most of the funding that led to the creation of the U.S.-Costa Rica foundation (Fundación Costa Rica-Estados Unidos para la Cooperación, also known as CRUSA) came from that era.

Overall, in the case of Costa Rica, when you compare its political history with its neighbors, it's been the most peaceful trajectory in Central America. Successive GoCR administrations have managed the economy probably better than any other country in the region. Further, the new economic driver, since the time I served there, has been the rapid expansion of the ecotourism sector.

Q: Well, it's really something to be proud of.

WILLIAMS: I think the United States should be proud of what we did in Costa Rica. Because first of all, we had a great relationship with the Costa Rican government, the private sector, and the NGO community. So it was a tremendous collaborative effort and reflected national priorities from design through implementation.

WILLIAMS: Following my assignment in San Jose, in 1986, I moved up to LAC (USAID Bureau for Latin America and the Caribbean) to run the private sector office, taking over from Peter Bittner, who had then gone on to Chemonics (International).

This was a perfect time to take on this role because we had significant resources throughout the region. I was able to play a role in facilitating the understanding and use of best practices. I spent a lot of time on TDY (temporary duty) going to the missions to look at the approaches they were planning or were refining. We were trying to create a commonality of approaches across our financial sector, our trade and investment promotion sector, our training sector – which we did to the extent that we had the right leadership in place.

We had a lot of strong people in Central America. I had a chance to continue to work with individuals with significant business experience like Greg Huger in El Salvador, and innovative leaders like Carlos Torres and Rich (Richard) Rosenberg in Costa Rica, and many other committed officers in the LAC region.

Q: Given the leadership that you all were applying on private sector development in Latin America, many of those folks ended up going on to work, after the fall of the Berlin Wall, in—

WILLIAMS: In the NIS (New Independent States of Eurasia), that's right, yeah. Building the Independent States, yeah.

Q: —in building Eastern Europe and the former Soviet Union.

WILLIAMS: That's correct, they carried those ideas to another region.

Q: Right, yeah.

WILLIAMS: The other thing is it was an interesting time because that was period when Dwight Ink led the LAC Bureau. As we previously discussed, he is legendary, probably one of the most famous civil servants in our history

Q: And he was the assistant administrator for the Latin America, and is this when you were the head of the Private Sector Office for Latin America?

WILLIAMS: yes, it was during that period.

Q: Although as I recall, he put a lot of emphasis on reporting and on—

WILLIAMS: Monitoring and evaluation.

Q: —monitoring and evaluation and results. And a lot of that ended up being much more prominent in the AID architecture after his time.

WILLIAMS: That's right.

Q: So he was ahead of his time on that issue.

WILLIAMS: I think as you examine the Agency's investment M&E systems over the past couple of decades, it's clear that he was a pioneer in identifying, and more importantly, investing resources in such systems.

Then, I was asked to go down to the Regional Program in the Caribbean. So this is one of these places which, when people hear that you've been assigned to the Caribbean, they're like, "Oh, lucky you! You should be happy. This is an island in the sun."

Well, the thing that's interesting is that, first of all, that's true. Wonderful place to live. Great for the family. However, an amazing amount of travel, as we covered the nearly the entire region, from Suriname to Guyana, the Dutch Antilles, all of the former British colonies. Every island, actually, in the Caribbean, except for Hispaniola and Cuba was part of our so-called "empire".

As in all new positions, I believe that the most important thing was to build a good team. So I was really lucky. Larry Armstrong was in place as the deputy director, and as I indicated previously he was an outstanding officer and very experienced. We had a terrific working relationship, and a great friendship, which continues on to this day. We divided the duties up, I think, in a very efficient, productive way. Also, as I mentioned earlier, we had outstanding local and FSO staff. Although the Mission benefited from the increased budget under the Caribbean Basin Initiative, and from the initial phase of the Enterprise for the Americas, it was a challenging environment, because we had to determine the appropriate methodology for using these funds, in a manner that would be seen as equitable by the regional leaders.

We also took some creative approaches with our trade and investment promotion, and agriculture diversification projects. As I discussed previously we got embroiled in some really tough geopolitical issues, because this was the time of the "Great Banana Wars", wars, where the major banana producers, Castle & Cooke (Castle & Cooke, Inc.) and Chiquita (Chiquita Brands International), did not want the Caribbean Islands to ship their bananas duty free to the United States, and insisted on a significant tariff.

Overall, in terms of the Mission's major accomplishments I'm very proud of what we achieved regarding the successful Hurricane Hugo relief and reconstruction program; our effective planning and management of the historic Congressional hearings in the region; and the building of positive relationships with the regional leadership despite the challenges of the complex governance structures across the region.

WILLIAMS: the other key aspect of working effectively in the region was the need to dedicate considerable time working with the regional organizations: CARICOM, the Organization of Eastern Caribbean States, the Caribbean Development Bank. I spent a significant amount of time trying to open doors for them with the IDB, which was really

a frustrating slog because the IDB tended to treat the Caribbean as an orphan sibling. We never reached agreement on the creation of a “Caribbean dedicated lending window” at the IDB, despite the collective joint efforts of AID/W and the Mission.

Those were interesting times on multiple fronts.

Q: Right.

WILLIAMS: In late 1991, Ambassador Jim Michel, then the AA for the Latin America Bureau asked me to move to AID/W to serve as his deputy, and I began my new job in 1992, during the President H.W Bush’s administration. We have previously discussed our tremendous friendship and working relationship since that time, for nearly 30 years.

Q: What were your major accomplishments for the three years back working in Washington in a leadership position?

WILLIAMS: Well, let’s talk about challenges first.

First, we continued to have a major private sector program in the Bureau, at significant budget levels. We were fortunate in that we continued to have outstanding leadership in the region as we previously discussed, knowledgeable and experienced MDs such as: Buster Brown, Craig Buck, Terry (Terrence) Brown, David Cohen, Carl Leonard, John Sanbrailo, and Ron Venezia. They had recruited superb mission staff, and enjoyed productive working relationships with the host governments.

In AID/W in the Bureau, we also had a terrific senior team. All became future leaders in both the LAC Region and across the Agency: Stacy Rhodes, Tish Butler, Norma Parker, Jim Fox, Toni Christensen, Marilyn Zak, Carol Tyson, Deborah McFarland, Jerry Jordan, Gary Byllesby, Kathleen Hansen, and Joe Stepanek.

As I reflect back on my career, one of the most satisfying aspects was having the opportunity to work with some truly brilliant people who were skilled development practitioners, really cared about the impact of their work in developing countries, were proud to represent the United States, and achieved tremendous success in their careers.

Q: Absolutely. But I also think that if you look at one’s experiences, you, and I think I was in the same situation, always had great staff and the missions in which we worked in the—

WILLIAMS: always, and that makes a big difference.

Q: —in Washington. And that isn’t universally the case. There are many times mission directors have to figure out how to manage with relatively weak staff.

WILLIAMS: Unfortunately, this is also true.

Q: And so I think that—

WILLIAMS: We benefitted from that.

Q: I mean again, you're reinforcing the importance of having a good staff that has been around the block and experienced and—

WILLIAMS: And people who operate in an approach and style that is conducive to cooperation and collaborative efforts.

Q: Right. Yeah.

WILLIAMS: I mean, we had occasional corporate culture issues, and sometimes we encountered divisive personalities, like you have in any organization. It was a bell-shaped curve.

However, I think that the most important part of being an effective leader is to be focused on the “care and feeding” of your team. This was one of the most important lessons I learned in observing Tony (Anthony) Cauterucci, who was my first boss in Honduras. I talked about his leadership style earlier in our conversations. He would support his staff, and provide the appropriate direction and guidance as needed. He believed, as I do, that if there's an issue or problem, you stand behind them. They need to understand that you've got their back.

I believe that it's important to get to know them, not just on a professional level, but also on a personal level. One must try to be responsive to their needs, both their needs in terms of their day-to-day job but also their career development. I've always looked for ways to assist my colleague, I practice this idea: “How can I help you develop your career, so that you can be productive and satisfied with your progress and future opportunities”. I've always felt that was important.

The major issue we were about to confront would have a major impact on AID's private sector strategy, and the LAC Bureau became a target in the presidential campaign of 1991. The Clinton-Gore campaign criticized AID's export and investment promotion projects. They began to use the phrase, and the press reported that AID programs in the region were “stealing American jobs”.

Q: USAID. The private sector strategy!

WILLIAMS: yes, the private sector strategy. There were a couple of exposés/investigative reports broadcast on network TV news and picked up in the print media accusing USAID of hurting American workers. So all of the sudden, we were very much under the gun.

Now, I felt that the (H.W.) Bush administration didn't really push back on this these stories in a robust fashion. Further it fell to Jim Michel and USAID's public affairs office

to respond to this, and we, especially Jim, had to deal with a harsh response for defending our policies and projects.

In our view, and supported by respected economists, these policies had led to programs that provided benefits for Latin America & the Caribbean region. The administration's policy was that these programs were mutually beneficial in terms of job growth and stability, especially after the end of the Central American insurgencies. Conventional wisdom, supported by respected economists and think tanks during this period and consistent with current thinking regarding free trade, was that imports contribute to job creation on a large scale.

Special Note:

This perspective was described in reports by both the US Chamber of Commerce (Open Door of Trade - 2015) and the Heritage Foundation (Trade Freedom: How Imports Support U.S. Jobs - 2012)

Heritage: "It is a common misperception that importing goods to America comes at the cost of American jobs. In fact, imports contribute to job creation on a large scale. The increased economic activity associated with every stage of the import process helps support millions of jobs in the U.S."

US Chamber: "Advocates of free trade have long established that imports provide choices that increase individual and national prosperity. These benefits do not come at the cost of employment—expanded economic activity due to trade in both directions adds jobs."

However, in the heat of a campaign, conventional wisdom was irrelevant, and headline "stealing American jobs" became a popular expression and we were caught in the crossfire. So Bill Clinton and Al Gore highlighted this issue in their campaign and it proved to be a popular talking point regarding the negative impact of free trade and trade preferences for our neighbors.

Of course, as soon as they were elected, they immediately became advocates for NAFTA! (laughs). After all, both individuals were known to believe that global free trade agreements were important components for America's economic policy.

Q: To take advantage of this debate.

WILLIAMS: Correct, because free trade became a cornerstone of the Clinton administration's economic policy. However, they opposed our programs during the campaign and politically, it worked well. However, the Agency took a hit. The Congress placed several new onerous restrictions on us. The GAO (U.S. Government

Accountability Office), and the IG (USAID Office of the Inspector General) conducted investigations of the LAC export and investment promotion projects, and this led to the new restrictive legislation. From that moment on, we were really handicapped due to our missions' robust private sector-led promotion of free trade policy.

I don't think the Agency truly recovered from this political battle and its aftermath until the advent of the GDA—(USAID) Global Development Alliances. However, now I think with the creation of the Lab (USAID Global Development Lab), public private partnerships and AID's involvement in such initiatives is well-established and has bipartisan support in Congress.

Another important component of the LAC Bureau's portfolio was the role we played as part of the USG foreign policy team in the drug eradication programs of that era. As we previously discussed, this was the period when the ESF allocations to Bolivia, Ecuador and Peru were primarily based on their performance in the agreed upon coca eradication targets. USAID was involved in the design and implementation of alternative development projects aimed at convincing local farmers to shift from coca to other cash crops. So I spent a lot of time participating in interagency coordination, and our champion on Andean affairs was Norma Parker, then the director of the South America Office. She was a talented, and highly regarded officer, widely respected in the interagency, and was a key player in the negotiations over the ESF allocations and corresponding alternative development programs.

Now in those days, AID was still a powerful player and we didn't really have to march in step with the State Department in terms of how we managed our development portfolio.

Q: Yeah.

WILLIAMS: at the same time, always enjoyed collegial, very positive relationships with the State Department's Bureau of Inter-American Affairs (ARA). First of all, Jim was a former ambassador, former State FSO, and highly respected. He maintained excellent relationships with the both political and career senior officials in the Department. He encouraged us to maintain that that type of relationship via open and candid dialogue on all issues.

Also, in that era we had the privilege of working with an outstanding group of senior officials, who were superb counterparts, in ARA. That would include individuals who would go on to have notable careers at the highest echelons of American diplomacy, e.g.: Bob Gelbard, Donna Hrinak, Sally (Grooms) Cowal, John Maisto, Mark Kirk (later, Senator Kirk, R- IL), and Roberta Jacobson.

So those were key areas of engagement that dominated much of our tenure in leading the LAC Bureau: The restructuring of the private sector led growth strategy, and the design and implementation of the alternative development programs in the Andes.

As you would expect it was a demanding job, and we faced some complex and difficult political situations. But, it was an honor to serve as Jim's deputy, one could not have a better mentor and leader, and I'm proud of what we accomplished.

Q: Mm-hm.

WILLIAMS: Then we made the transition to the Clinton administration.

Now, the previous battles over trade promotion, and drug eradication and alternative development shifted to new battles in the with Senator Jesse Helms era. He led a full-frontal attack on the agency, right, as you remember so well. During the transition process, Jim and I moved into acting positions he became the acting Deputy Administrator and I served as the acting AA/LAC. Several months later, Mark Schneider was appointed as the AA for LAC, and as we previously discussed, the Administrator asked me to take on the Executive Secretariat job.

Q: Right, and I think we talked through earlier about all the challenges and new initiatives you were involved in during at the ExecSec.

WILLIAMS: Yes we did.

Q: I'm not sure that— Although maybe you feel there are some accomplishments there that you— Probably ensuring better teamwork of—

WILLIAMS: Well I think ensuring better teamwork. I think one of the things I tried to do, and I was successful to some extent, was establishing a beachhead at the NSC in the interagency for AID. Making sure that we were represented at all costs was my weekly goal. We had a strong senior leadership team under Brian Atwood, and thanks to the determination of and savvy of our team, people like Tom (Thomas A.) Dine, Mark Schneider, and Dick McCall, AID was highly respected at the NSC, in the Congress, and overall within the interagency. It was a collaborative, concerted effort.

Q: But it was important that USAID would have a voice.

WILLIAMS: Yes, it was. As a point of comparison, I observed that in the Obama administration, AID also had a prominent seat at the NSC table, unquestioned, due to the strong leadership of Raj Shah, and then in the second term Gayle Smith who enjoyed strong working relationships with both Tom Donilon and later Susan Rice.

Q: Yeah.

WILLIAMS: Then, in the final chapter of my USAID career, I assumed the Mission Director position in South Africa. I believe we discussed that at sufficient length.

Q: Yeah, we did. And again, obviously a lot to really be proud of.

WILLIAMS: The United States really played an important role in the democratic transformation of that nation, without a doubt, in all the sectors. I was fortunate to work with some of USAID's most outstanding officers in Pretoria. As you well know, and as I mentioned previously in our conversations, each one of my office directors at USAID/South Africa have had, and in most cases, continue to be the top leaders at either USAID or other organizations.

WILLIAMS: Let me offer a few concluding thoughts on leadership, and USAID as an agency.

My South Africa experience, as the capstone of my USAID career, illustrated what I consider 2 important lessons learned in terms of leadership and management—ideas that I often recommend to emerging leaders. First, in terms of staff development and mentoring, identify, hire, and support the best staff you can find. Always be mindful of the need to help them do their job, but also to help them achieve their career goals.

Secondly, AID I think, as an “expeditionary” field based organization has unique capabilities in developing private sector partnerships, in a way that very few U.S. agencies do. Ideally this will continue to be the case into the future.

I think that the agency continues to enjoy, despite staff size limitations, great respect within the developing world, and these type of relationships are crucial to the future of USG foreign policy.

However, I think the ongoing major issue for AID and for the United States is will AID continue to be an independent agency or not? So once again, we now are faced, as planned by Secretary Tillerson, with the reorganization approach, apparently, which is aimed at bringing AID fully within the State Department.

I've always felt that the President of the United States should have an independent development agency, the Development “D” of the 3-legged framework of American foreign policy. USAID should be viewed as being on equal footing with the other essential ‘Ds: Defense – DOD, and Diplomacy –State.

However, historically, the only place where AID is well recognized and its expertise and independence fully respected is in the humanitarian assistance arena.

A few months ago, I attended a special, executive board dinner, where the guest speaker was the deputy chief of the Joint Chiefs (U.S. Military Joint Chiefs of Staff). He's one of those rare Air Force officers who spent most of his career flying on humanitarian missions, and in his last command was he served as commander of all US military humanitarian assistance flights worldwide.

Given his experience, he has a very positive, laudatory opinion of AID, based on his observations of AID's work over the past ten years. He noted the Agency's outstanding work on the tsunami in Southeast Asia, Pakistan relief, Darfur, and Haiti earthquake. .

However, in terms of the development side of our business, AID is still a mystery to the American public and to some State Department officers, who question the importance of an independent Agency.

I believe that the countries that made the policy decision to integrate their “aid” function into the ministry of foreign affairs, e.g., Canada, Australia, have lost some of their global stature and influence because of that homogenization of the aid function.

Q: Right.

WILLIAMS: In my view DFID (U.K. Department for International Development) is a model that we should seek in America. (chuckles)

Q: One of the things you’ve highlighted is the importance of the leadership an AID director provides, including with their position with host country and having that dialogue with host country leaders and being respected by host country leaders.

Do you have any special observations about how AID officers can be trained to play that role, or is it something you learn by observing others? Or they’re innate qualities?

Does AID invest enough time to prepare its staff—senior staff—to play that role? Because I mean, one, it’s a hard role to play, number one, with host country officials. Then you also have to increasingly probably manage that in the context of your relations with an embassy as well.

WILLIAMS: Yeah well, a great question. I think that—a couple of things. First of all, I think that leadership is an “acquirable” skill, if you have willing individuals, who are willing to assume this responsibility. It requires determination to sacrifice for the greater good of the organization, both personally and professionally. I was lucky, because in my career I worked for people who always believed that and modeled that type of management style, e.g. Tony Cauterucci, Ambassador James Joseph, and Ambassador James Michel.

Q: (chuckles) Right. Pretty tall role models.

WILLIAMS: The reason why I believe that effective leadership can be taught, if the person is willing, because you have to be very strategic, almost chess-like, in how you go about being a leader.

I’ll walk you through my mindset. When you arrive as the MD in South Africa or the Eastern Caribbean you can easily be overwhelmed by the wide range of priorities that you face in this new assignment. This includes: the staff profile and related issues, the Mission strategy, the individual projects, the relationship with the host government and other centers of influence in the society, the AID/Washington relationship, and the management of the Embassy relationship.

So if you add all that up, this workload can easily occupy, six days a week, month after month. So one must consciously step away from that, and delegate as much as you can to you deputy and other senior staff, in order to systematically identify the key power centers in this country. Who they are — Is it a business/family group? In Haiti their family centers of power. And within that clan, you had to figure out who was the real player versus who was ostensibly the face of the clan.

It's crucial that you determine, on the government side, besides your deference to the Minister, who is the real leader of that ministry. It takes considerable time to develop that relationship. So the question is, are you going to dedicate the time required to be an effective leader when faced with such challenges. I believe one must be able to discern the difference between the obvious duties and the conventional wisdom about the MD's role, and develop an understanding of this new country's environment.

Q: Right.

WILLIAMS: Relationships cannot be one-way. It doesn't work that way. And you've got to figure out who you can trust. Because eventually, there's going to be a testing time. There's going to be a time when you will receive instructions or a policy directive to carry out, that no doubt will be complex, or perhaps contrary to what that country's leadership is in agreement with. And you're going to have to figure out how you're going to execute this policy.

This is way beyond a demarche! (laughs)

Q: AID doesn't usually issue demarches.

WILLIAMS: Correct, but we often have to negotiate with cabinet officials. For example perhaps we need to inform a host government that, "we would prefer to use our budget resources for national environmental planning, instead of your plan to use these funds to build that road through the central mountain range." (laughs) That's the hard stuff, right?

Interestingly, I have never found it difficult to deliver a tough message to officials that I had a strong relationship with. It's hard to deliver a tough message to someone you have no relationship with, that would be a sterile exercise. Another aspect of developing relationships is the use the tool of convening various groups around specific high profile or important issues that are of national interest. A MD can easily use his or her office, or residence for a representational event that can provide an informal environment conducive to negotiations downstream.

Q: Now, that's a very important lesson, to anticipate that ahead of time that you're going to have to deliver a lot of tough messages, and you better do all the relationship building.

WILLIAMS: Better to have a road, a pathway to engage with key leaders on some of those things, right? I found that Dan Chaij was the master of building relationships, he

never failed to deliver on a policy change or meeting a condition that the USG required from the host government.

Q: And it's a very important skill, and I think it's probably one that's probably harder for people to develop today because so much is now done via email and stuff.

WILLIAMS: Yes, I think that it's more dangerous and complicated this days.

Q: It is.

WILLIAMS: Well, I don't mean in terms of terrorism. I'm referring to the potential backlash via social media and the 24/7 news cable cycle. Therefore, any feeler you put out there, any conversation you have that might be controversial, could be blown up and go viral---without of course, any context.

So you don't have any quiet space to negotiate. I think that's a problem in terms of organizational leadership overall, that we don't have any quiet space in our society, or in the world, for deliberative thinking about strategy or reasonable vetting of new ideas.

Q: Right, yeah.

WILLIAMS: So, yes I think leadership can be taught? It is important that colleagues understand the importance of being a "scholar" of leadership. I think you have to get a bullhorn and say, "This is important for your future success in terms of career development!"

Q: And it's probably easier as we saw it. If you don't see it early on, it's harder to know that.

WILLIAMS: Yes, that's right. It's clear that successful ambassadors and senior State officials have this skill set. It's not just brute force. Whether its Saudi Arabia, or Thailand or Brazil they most successful envoys know how to build key relationships with the leaders in that country, and they use this bridge to deliver on important and crucial USG policy matters.

Q: Right. Can I shift here slightly and just ask if you have any views you'd like to share on diversity within USAID? It's always been an important objective that AID wants to have a senior management pool or a workforce that reflects the diversity of America. At various times, USAID has done a good job of that. Other times, I think less of a good job. But I just wondered if you had any observations you'd like to share on that point or things that you think AID could consider doing perhaps---perhaps better than it does? Looking at how you've seen other institutions manage diversity.

WILLIAMS: I agree it's crucial, now more than ever, to have a diverse workforce. Let me provide some context for my thoughts on this topic. Let's divide it into two parts, the

1970s vs the world today. And I would like to start first with women, and then move to minorities.

When I joined AID in the 1970s, it was obvious that there was a lack of women in leadership positions, as was the case in the business world that I had just left. You know better than I, due to your role as one of the pioneers in AID, that it was difficult for AID to make change this situation. One thing that I immediately noticed at the Peace Corps was that it was a totally different situation, in that 60 percent of volunteers are women, and 60-70% of all senior staff are women, in the field and at headquarters.

Now one major reason for this progress at PC is the flow of volunteers to career positions, due to the 5 year rule. So there is a constant churn of staff, and traditionally the top leaders at Peace Corps are women.

AID was in a very different situation in the '70s, and now today significant progress has been made. That is due to, in large part to the battles that you and other colleagues fought for upward mobility and increased recruitment of women, and changes in American society.

Q: I think there are more senior women managers now.

WILLIAMS: I think that's right, and a very talented cadre of women leaders.

Q: Yeah.

WILLIAMS: During my career at AID, fortunately a large percentage of my stellar colleagues and friends in AID, were women: you, Marilyn Zak, Toni Christiansen-Wagner, Paula Goddard, Valerie Dickson- Horton, Janet Ballantyne, Phyllis Dichter-Forbes, Linda Morse, Mosina Jordan, Norma Parker, and others. All terrific officers, widely respected inside and outside of the Agency.

And finally as another approach to addressing this historic gender imbalance, we have seen AID using the IDI program (International Development Interns) to recruit outstanding candidates. Officers such as Maureen Dugan, Margot Ellis, and Denise Rollins, and many others who have gone on to have outstanding careers with the Agency.

Q: Yeah.

WILLIAMS: The expanded recruitment of the IDI program, and in later years the DLI program were important initiatives and ideally similar approaches will be continued in the future.

Now in terms of minorities, it's a woeful and sad record. Although I think that USAID lacked an effective strategy for minority recruitment, a larger challenge is the nature of American society.

From my perspective, there's only one organization in America that does a good job on diversity. You know which one I'm referring to?

Q: I think you've told me before. So, but I'll let you say.

WILLIAMS: (laughs)

Q: The military.

WILLIAMS: The military! And specifically the U.S. Army. The goal of the US Army is to recruit, train, and provide a career path for a diverse volunteer army. Further, opportunities are provided for career advancement and promotion based on uniform standards and criteria that all soldiers are subject to...what I would characterize as equality for all, for both NCOs and officers.

I'm not an expert on military recruitment training, just an interested observer, and someone who has worked closely with various branches of the military during my career in both government and the private sector.

Q: Is it because there's actually an exam? Because the military has a similar evaluation system in which there are panels, and efficiency reports, and peer reviews and technical qualifications exams. Do you think, specific hurdles like that, could be defined for an AID career?

WILLIAMS: Well I realize it's a complex situation for a civilian agency, and it would be difficult to attain the level of the military given the disparity in staff and budget resources. However, this is the best example that I have observed in our society that effectively recruits and provides impressive career opportunities for men and women from all across this country—all races, creeds, colors, and religions.

Thus, in my view there are best practices developed by the US Army and other branches of the armed forces that could be adapted, and that could prove to be useful for increasing diversity in USAID.

Q: Right, but you also don't get people promoted in so that they fail. So the efforts of affirmative action are in making sure that people get the training they need so that they can be qualified to meet objective standards.

WILLIAMS: Exactly, by focusing on the standards, and providing, if necessary, remedial training as required to pass the exams or tests.

In the 21st century, all organizations—in business, government, the NGO world, philanthropy—we all face this challenge in America. I think that another important solution to this quest for diversity is to build a larger pool of talented and diverse candidates.

There's one more distinguishing factor between the past, the 1970s, and now. Then, Federal Government could have built up a pool of talented minorities who would have been interested in the Foreign Service and international affairs careers.

However, now, you're up against a tremendous amount of competition. Because now, you're competing against Wall Street (Goldman Sachs, JP Morgan, etc.) the ivy league colleges (Harvard, Stanford, Yale, etc.) the Armed Forces, and global corps (Google, Apple, FaceBook, McKinsey, Unilever, etc.), this is clearly a formidable array of blue chip competitors, so it's a lot more difficult to find minorities willing to pursue a career in the foreign affairs agencies.

Q: Right. Because there are many more options.

WILLIAMS: Many more options. Now the Peace Corps could be one mechanism for creating an expanded pool of diverse candidates in the Foreign Service arena. However, the Peace Corps is a small agency and without a massive budget increase can only do so much. Despite this, as you well know, State, USAID, other foreign affairs agencies, NGOs and the private contractor firms have had great success in recruiting of RPCVs.

One last example from my Peace Corps experience. As PC Director, I often had travelled to speak at HBCUs, in information and recruitment events. Inevitably when I presented the idea of serving in the Peace Corps, the response I received can be characterized 2 ways, either individually or in a group: *"I didn't know you could do that!"* or *"My parents don't want me to do this, I can't be volunteering, I've got to earn money due to my college debt"*.

Q: Yeah, student debt situation also changes things. That's right.

WILLIAMS: However, we can't surrender, and despite the challenges, we can't fold up our tent and give up. As a matter, I'm delighted to see that my former organization, RTI recently launched a new diversity and inclusion initiative, aimed at our entire workforce.

I firmly believe that that in America, we must remain committed to pursuing diversity and inclusion. That's important to who we are as a nation. It's one of the great success stories of America that makes us the beacon of hope to the rest of the world. We enjoy living in one of the most successful societies in history, given our ability to live harmoniously together in a multi-racial-ethnic-religious nation.

Finally, in my view the challenge of the 21st Century is to develop a pool of candidates from minority groups who could move into Foreign Service positions at AID and the other foreign affairs agencies. And I think that realistically, Carol, it has to start in elementary school.

Q: Yeah.

WILLIAMS: You know, we need the type of education opportunities that the Scandinavians provide in their education systems, where they teach development.

Q: Yeah, so: development education.

WILLIAMS: in the schools, so that a Swede or a Finn, by the time they're in 8th grade, they're truly familiar with the developing world, and their countries' contributions to the world. They've probably been on a mission as short-term volunteers overseas, or their families have hosted visitors from Africa, Asia or Latin America in their home. So they are immersed in understanding the outside world and this creates a future interest and informed perspective.

Q: Right, right. No, that's an important point. So you can get more people interested in and aware of it and interested in international—

WILLIAMS: We all know that as children grow up the 2 major factors in their development and socialization are their parents and family environment, AND their peer experiences. Given the normal peer pressure that kids encounter, if your peer group thinks that being interested in foreign countries and foreign people is not cool, then why would you care about Zimbabwe or Ecuador, there is no reward in that! There will be the exceptional young person, a small percentage that will stand up on their own and say, "I'm going to do this because I want to." But most kids want to be accepted, and be part of the group. So you've got to have the larger group see this as being "cool", important and interesting to do.

Q: No, I think it's an important point if you want to attract a more diverse workplace, the communities that they come from need to recognize the value of what they're embarking on, yeah.

WILLIAMS: Yeah. In my experience, in terms of meeting with HBCU faculty and students, people just don't know. They just want to have the experience. No one in their family or in their community has ever been in the Peace Corps, been a Foreign Service officer. You know, they didn't know, right?

Q: Well that's important.

WILLIAMS: You've got to build up over time, right? You know, one other initiative that RTI has engaged in is the Ron Brown Scholar Program. You know about that, the Ron Brown Scholar Program?

Q: Yes, I do. I mean, I have heard of it. But, tell us.

WILLIAMS: Following the death of Secretary of Commerce Ron Brown (former U.S. Secretary of Commerce Ronald Harmon), who died in an airplane crash in Croatia while on a trade delegation, a wealthy donor decided to create a scholarship program in his name. The goal was to honor him, and to provide opportunities for African-American

students to pursue a college education in the top universities in America. It's now celebrating its 20th anniversary, and it's been a resounding success. Full disclosure, I've served on the board for several years.

Q: Yeah, I think I'd seen that.

Interested young people, who are from disadvantaged background, must undergo a highly competitive process to be awarded a scholarship. Further, they must agree to dedicate their time, during their college years to community service. They also are provided opportunities to receive summer internships in corporations and organizations that ideally will provide jobs for them upon graduation.

Their individual personal stories, are sometimes heartbreaking, but also inspirational in terms of the challenges they have had to overcome in order to be a successful student. They have been admitted to America's most prestigious universities, and have been outstanding students in the sciences, professions and humanities.

Q: It's amazing to see the universities that they're attending! (laughs)

WILLIAMS: Yeah, because those universities know how talented they are and they are also interested in building a diverse student body.

RTI is a partner with the Ron Brown scholars program. We have paid internships (covering all of their expenses plus a salary) open to these scholars across all of our research areas.

Q: It's the kind of thing that makes sense for USAID to try to do—

WILLIAMS: Oh, absolutely, yeah.

Q: —to give internships for these kinds of students.

WILLIAMS: Oh, yeah. However, now one finds that there's a trend to provide elite internships, i.e. non-paying internships, that by definition only middle class students can accept.

Q: Yeah.

WILLIAMS: This town (Washington, D.C.) is full of such opportunities. Personally I'm against non-paying internships. I think that's a mistake.

Q: Right. I agree.

WILLIAMS: Because you lose a whole group of talented young people who can't afford not to work in the summer.

Q: You know that Stanford business school (Stanford University Graduate School of Business) used to have a program they call the Stanford Management Intern Fund. And the students who took the jobs between their first and second years of business school, they went to places like Goldman Sachs for the summer and earned substantial sums. They would then donate part of that to provide a salary for students who volunteered to go work for the public sector or non-profit sector. So when I was in Thailand, we had an intern come out from the Stanford business school, who got a salary out of this business school fund, and then we provided a living expense and housing for him. So he was able to at least have some money.

But I thought it was interesting, with the students themselves, who were helping to contribute to that fund.

WILLIAMS: Well that's, as a matter of fact, that's also now a tradition of the Ron Brown model. Today they have a significant alumni group, and they fund several scholarships every year. The alumni are invested in the program, in recognition of their personal transformative experience.

Q: Did you ever mention this to USAID?

WILLIAMS: No, I haven't.

Q: OK, well this will become a lesson learned for them coming out of the oral history.

Q: Mr. Williams, we have covered a lot of territory over a number of days.

WILLIAMS: (laughs) It's been great, Carol. Thank you for being so patient, generous with your time, for your flexibility, and providing me with the opportunity to talk to you about my career and life experiences.

Q: Well, thank you very much. I'm going to flip this off. And this will conclude Aaron Williams's interview.

End of interview