

The Association for Diplomatic Studies and Training  
Foreign Affairs Oral History Project  
Foreign Assistance Series

**HILDA ARELLANO**

*Interviewed by: Mark Tauber*  
*Initial Interview Date: June 3, 2016*  
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*This oral history transcription was made possible through support provided by U.S. Agency for International Development, under terms of Cooperative Agreement No. AID-OAA-F-16-00101. The opinions expressed herein are those of the interviewee and do not necessarily reflect the views of the U.S. Agency for International Development or the Association for Diplomatic Studies and Training.*

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## INTERVIEW

*Q: Today is June 3, 2016 and this is our first session with Hilda Arellano. Where were you born and raised?*

ARELLANO: Thanks and thanks Mark for doing this. I was born in 1946 in Westfield, New Jersey and I grew up in Westfield, New Jersey. I spent all the time right through when I started college in Westfield.

*Q: Before we move on, more and more people these days are looking back at their ancestry. Have you done any research on when your family arrived in the U.S.?*

ARELLANO: Yes, definitely. My mother was actually a naturalized citizen. She was born in Argentina and left when she was three. Her father worked with an international company in Buenos Aires and they were transferred to New York City. And my father was born in Brooklyn, a Northeast native. They actually met in Westfield, New Jersey, in grade school, and it was in that town that married and decided to raise a family. So I think definitely my grandparents on my mother's side lived with us when we were growing up and they were native Spanish speakers. I did not learn Spanish at that that time but there was just a lot of contact with international affairs and people. My mother lived in Paris

the decade before World War II when her father was transferred to Paris. We had a lot of international people coming through the home.

*Q: Did you also have brothers and sisters?*

ARELLANO: Yes, I was the third of four.

*Q: And so older brothers? Older sisters?*

ARELLANO: Older sister and brother and one younger brother.

*Q: Westfield is relatively close to New York City. Did your family visit there for the cultural and entertainment opportunities?*

ARELLANO: Yeah, my father worked for Standard Oil and he worked at Rockefeller Center. By the time I reached junior high, my parents let me go into New York on my own. I'd take the bus and with a friend and my parents would kind of tell me on the map of New York where I shouldn't go at the age of 11 or 12 and straight through high school. So, I spent a lot of time in New York just because I enjoyed it so much. It was a city I was very attracted to.

*Q: How would you describe your early schooling -- elementary and junior high school like? Were they large or small? Diverse?*

ARELLANO: Westfield is not a diverse town, not even today. It wasn't then; it's not now particularly. It had the same population for a long time around 30,000 people for most of its... at least the last 100 years if not longer. And the schools that I went to, the elementary school I went to was a relatively large, typical New York area public elementary school. One of the reasons my parents stayed in Westfield was for the school system. It had a very, very good school system. My high school, my graduating class, was a little over 500. Again, typical for a New York suburban high school of that sort. And it had a reputation for giving students a very good preparation for college or work life. My parents never thought of putting us in private school because the town itself had such good public schools. But again, not diverse. It was just the way the town was.

*Q: In high school, were you already sort of beginning to think about what kind of work or expertise you wanted to pursue? Were you and your parents talking about college, career and so on?*

ARELLANO: Yeah, when I was a sophomore, I believe, a sophomore in high school, the 1960 election when President Kennedy was an important moment for me... Westfield tends to be, and still is, a Republican town and I was very, very interested in President Kennedy. I read a lot about him; it was just a new way of thinking and a new way of looking at the world. And so having that your sophomore year in high school and having teachers who really encouraged you to think about the wider world was an important

early influence... We had some very, very good, excellent teachers, particularly in social studies, who encouraged a diversity of views.

We had a lot of debates on the issues and it was fascinating because Westfield had had a relatively significant number of Hungarian refugees both post-war but also from the 1956 Hungarian Revolution, and so you really saw the diversity of views on communism and socialism, and there were teachers that really let that flower. So yeah, among the most interesting classes I had, the ones that really grabbed me, were the ones that offered this opportunity for exploration. I went to college as a physics major actually, believe it or not, but changed to political science my freshman year, because, once again, the classes that grabbed me the most were the social science classes, American history, and so on.

*Q: Also, while you were in high school, were there extracurricular activities that captured your interest?*

ARELLANO I was very athletic so I did a lot of swimming outside of school. Of course, it was before Title Nine and women sports teams were basically non-existent. If you played basketball, it was half-court, three dribbles and you had to pass it. I mean I wince as I look at things today. I now work at Princeton and one of the women in the program I work on is one of the leads of the women's basketball team and I just compare it to what I knew and it's day and night. But I was very athletic. So I did some outside of school, some inside. I was captain of the cheerleaders. I did student government, worked on the yearbook, those kinds of things. I think I was in the Latin club because they had language clubs and I took a lot of years of Latin.

*Q: Did you take any other modern languages?*

ARELLANO: I took Spanish in high school, but it was not really geared toward speaking. You know what language teaching was like then. They didn't really teach you how to speak it. They taught you how to read it and do literature.

*Q: What kind of college experience were you looking for?*

ARELLANO: Well, I go back to that era and also the orientation we got at school and also what your parents talked with you about. My mother had gone to Smith College for a year and a half before they moved to Paris. Then she actually graduated from the Sorbonne but she started at Smith. So she really liked the girl's college experience not least because she felt like you can play sports. In those days, at non-coed women's colleges, the opportunities for women were just greater. I, because I'd gone to a relatively large high school, not gigantic, but large, and I think was as you say, I mean I had always been a little adventurous as you can tell from the New York thing, I always kind of wanted to push the envelope a little bit. So I looked at both women's colleges and large co-ed colleges, which wasn't necessarily encouraged. My parents were really encouraging me to go to the sister schools of the Ivy League universities.

*Q: And what year again?*

ARELLANO: This is 1963.

*Q: A real watershed year in U.S. history and I imagine you remember where you were when Kennedy was assassinated.*

ARELLANO: Yes, I certainly do. I had just started my freshman year at Cornell and I was in the middle of the quad when the bells started ringing and it was just one of those things... It just shaped everything after that; it really did. Particularly as a freshman in college.

*Q: Yes, many people see the Kennedy assassination as a watershed moment in American history, perhaps the way a later generation would see 9/11. But back to your college choice. You decided on Cornell, a large, co-ed university with a good physics department.*

ARELLANO: I think physics chose me. I came out of a period when if you were relatively good at science and math, that was what you were encouraged to do... and Cornell had a very, very strong program particularly in physics so I started with that. But three months in, because I was in arts and sciences, I was taking other classes and I realized that physics was just not going to be my passion. I knew enough graduate students in physics and in chemistry by then to know that that it wasn't for me.

*Q: It's interesting that you began with physics because at the time, if I'm not mistaken, women tended to be discouraged from going into the "hard sciences." But that wasn't your experience?*

ARELLANO: No, no. I had a roommate who was also in hard sciences and I think part of it was the way you came out on your SATs. I had advanced sciences in high school. I had done well in those, and I think they left it up to me. I felt like I would start with that. The good thing was that Cornell was very to experimentation. I mean they really encouraged you to look around at what your eventual passion would be. They also had great faculty advisors. My physics advisor was phenomenal. And so it worked out fine.

*Q: Three months in you have the revelation that really physics is not where your passion was but what led you to political science?*

ARELLANO: You know Cornell also had an excellent government department. It was called government; it wasn't called political science. And I had fantastic professors. I took one course in the government department and audited another because it quickly became clear to me that I would get a really quality education in that field. The government department also had some very interesting programs where you could do both domestic and international experiences as an undergraduate. so that attracted me as well. But you know they let you do it and by the time I was in my second semester, I had already changed majors.

*Q: Now that brings up another question which is during the period going all the way up to your entry into college, did you have any international travel?*

ARELLANO: No, no. As I told you I mean I think my parents traveled abroad. The kids in my family were usually very busy because of sports and during the summers my parents encouraged us to work on playgrounds or wherever. And then again, if we were going to travel internationally, there were four kids, so that would be a big expense. We did do some travel within the United States but I think my exposure to foreign cultures came from the many visitors we had from England, from France, friends of my mother's from abroad, family from Argentina or Uruguay who would visit and then as you said we were close to New York which has got as much as you wanted of the international flavor. And I think my parents' attitude, and I really respect them for this, was that there would come when you would decide whether and how much international travel you wanted to do. I think their generation felt that way even though my father had traveled very early in his life to Europe and places like that but I think they really felt that it was something you'll get enough of a chance to do as you got older.

*Q: So you entered college but before you did, you had two siblings I imagine who entered college.*

ARELLANO: Yes.

*Q: Did that have any effect on the college you chose or any of the other decisions that you made as you approached graduating high school?*

ARELLANO: Not really. And this is one thing, when I look back, that I thank my parents for. My brother actually had an NROTC scholarship and went to the University of Colorado and then went into the Navy and eventually went to Vietnam. My sister went to Ohio University. My parents really encouraged us to go to the very best school we could get into. I was fortunate that, when I did apply, I got an academic scholarship to Cornell that I did not lose when I changed majors. I was very grateful for this because I think I probably got it because I was planning to major in physics but they let me keep it. It wasn't a free ride but it was enough that I felt a little bit better that my parents wouldn't be saddled with a huge cost in my college education... And you know they were so focused on education. Both my parents felt it was the best gift they could give to their children. They really encouraged me to go wherever I chose.

*Q: At Cornell it's the mid-1960's, lots of cultural and political ferment. Did you become involved in campus politics or other activities in the university?*

ARELLANO: Not initially. Actually, let me think about this. I pretty much concentrated on getting a good base in the academics, and for physical activity I danced. I was a dancer so I did that as an additional activity until I graduated. But regarding current politics, what I did do was go to a lot of discussions on campus and seminars and things of that nature where current issues were being discussed. I mean, you can imagine, it was a time of incredible ferment particularly after the assassination and as you said earlier I

think a lot of that was me trying to figure out, okay what does this all mean because the emotional impact of Kennedy's assassination had been so dramatic on a lot of people in my generation and on me. I canvassed for Kennedy in Westfield and I thought he was just an extraordinarily intelligent man and suddenly he was no longer there and you say, well wait a minute, how can this be?

So there was this whole identity thing that went on and so I was starting to kind of piece those things together and I think it was my sophomore year I heard about a project that Cornell had. It was called the Cornell Brazil project. Cornell had a very strong government/anthropology focus in Latin America and they had done a lot of work in Peru both on anthropology but also a lot of students had been able to go as undergraduates and the Cornell Brazil project was to actually run that out of the Cornell United Religious Works. It was a time in Latin America when you had primarily military dictatorships and so the linkages were between the churches and I heard about this project. It sounded very interesting because it was very much focused on development in northeastern Brazil and I started to look at that. And I spent a lot of time... I was taking a course in Brazilian history and things of that nature so gradually started to home in on an area I thought might be a specific interest for me eventually.

*Q: Did religion play a role in that for you because you also mentioned that the connection between Cornell and Brazil did have something to do with the Cornell United Religious Works.*

ARELLANO: Yeah, yeah, I mean I had been raised Catholic and pretty much by my mother. My mother was Catholic. My father was Episcopalian but he was not practicing... I mean he was Episcopalian but he kind of left the religion to my mother. So we grew up Catholic. At Cornell there was a very, very active interfaith community. It was when ecumenicalism was just emerging and a lot of students were getting involved in that. Eventually that also translated into political activity and activism. At Cornell, a lot of that came out of the Cornell United Religious Works or at least it was a forum for that. I think from a values standpoint, I had been raised in a family where Catholicism was viewed very much an issue of giving back and generosity and it just was the way, particularly my mother and my grandfather viewed Catholicism. So I think there was a basic interest in trying to figure out how you make a difference in the world. Development and the Peace Corps were just emerging under Kennedy, there was a more outward-looking approach to the world developing at Cornell, so for me it was the right campus to be an undergrad as Cornell increased its international focus.

*Q: Of course in the years of the mid-sixties, you also have John the 23<sup>rd</sup> and the Vatican Council. Did that have an effect or was it just more context?*

ARELLANO: I think it had an effect on the people who worked at the Cornell United Religious Works. I can't remember which of the Berrigan brothers was at Cornell at that time. I think it was Daniel. But yeah, I mean there was definitely much more of a social justice, social responsibility push that was coming and it started, as I said, I think some of it because President Kennedy had brought the U.S. into the loop on some of these issues

related to poverty and equality and civil rights. There was just this culture of change that was starting and as a student at that time, you kind of could feel yourself getting drawn in to those issues.

*Q: Now, of course, campuses at that time were also becoming in some ways what used to be called radical. Students got together and had all kinds of meetings that challenged the establishment at various levels. Was that the feel that was going on there at Cornell?*

ARELLANO: I think by 1966, which was when I got back from Brazil, not so much '65. There was something major that happened in Vietnam, was it the Gulf of Tonkin? No. Anyway, something major in Vietnam happened in '65. I'm forgetting the sequence here where a lot of this ferment related to the post-assassination and civil rights and things that were going on in the South. A lot of that merged with the anti-war activities. I think it was around 1966 and you could feel that there were groups on campus, Students for a Democratic Society, there was a very small but very powerful Black Power group that eventually, after I left, took over the campus as I recall in the late 60s. And you could feel the change. You were moving basically from an analysis of the issue, looking at solutions to really just frustration and anger with some of the things that were going on in the world, and it divided the campus. I remember that was my feeling. Really you felt like it was a campus that was very, very divided.

*Q: Now when you say divided, was it as stark as ROTC and Goldwater on one side and liberal-left anti-war on the other?*

ARELLANO: I think part of it was that but what you had was more a group that was not ready to jump into the active action-oriented protests. I consider myself to have been part of that and a group that really was ready to. Some of my best friends were members of fraternities which tend to... They were athletes, they tended to be quite conservative. One would think quite conservative but particularly with Vietnam and the draft, there was a very broad questioning. Yes, but even within the ROTC, there were people who were... because you were starting to hear and it was very, very interesting. My brother was in Vietnam at the time and we were writing back and forth and I just remember how much his letters just influenced the way one felt about things and what one knew about. So it was a time of a lot of unevenness and I think a lot of fragmentation. It was not a comfortable time, I don't think, at least at a university like Cornell. It was not your ideal college experience.

*Q: What was the student body like? Was it diverse? Was it more from the New York area or how would you describe it?*

ARELLANO: It's a very diverse school because it has state colleges as well as the Ivy League, arts and sciences, and engineering piece. So you have what are sort of the mainstream, what's considered to be the Ivy League part of it, it's all one university and it's all a member of the Ivy League but there's about 5,000 students as I recall, 4,000-5,000 students that constitute the arts and sciences college and engineering, etc. And then you have the state school of Agriculture, international labor relations, nutrition and



health, they've renamed some of them in recent years. So the university and very large graduate schools as well, so it's much more than just that, so very diverse. The state schools yes, drew a lot from New York state and a lot from the New York area. You had a very, very high percentage of the state schools that actually came from the New York area. They may not have been farmers but they were studying chemistry in the school of agriculture. But the rest of the student body was from all over the country.

*Q: Let's turn to the Brazil activity you mentioned earlier. What was that like?*

ARELLANO: Well, the project again was organized by the Cornell United Religious Works. It was a student group that went to Brazil. We were placed with families in all the cities of Brazil, the major cities and then after about two weeks with our families, I was actually in Rio, we all got together and went by bus with a group of Brazilian up to the Northeastern part of Brazil. These were the cities of Recife, Pernambuco, and others which, at least that time, were the poorest areas of the world. It was extremely underdeveloped in those days. It had the military government which was trying to develop this part of the country but it had incredible poverty. And just the ride up, I mean because we had been in the South which is more developed, but just the drive up was an amazing experience as you drove through. Places where people die of starvation and a lot of the towns we drove through were extremely impoverished. So inevitably when we got to Pernambuco, we were working on adult literacy in the communities. We studied Portuguese before we went and I was very comfortable in Portuguese by then and we were worked in very, very small rural communities in the area of Recife, away from the Atlantic in Pernambuco.

*Q: What was the goal of the program?*

ARELLANO: It was a summer program between junior and senior year. I think the goal was to acquaint you with the issues as much as anything else. In the period we were there, you're not going to change things dramatically but you did help the communities because adult illiteracy was over 90% in most of these communities and then also the idea of getting to know Brazilian students and learning about their situation, what they were living with, sharing with them what was going on in the United States. I mean it was a very, in some ways, very Christian in its baseline. And very ecumenical. The more you get to know people, the more you'll be able to work together to improve the world kind of thing. Very idealistic.

*Q: What insights or what lessons did you take away from it? Because obviously you worked for the first time in your life in a very poor area and saw what poverty is. How did it leave you after the experience?*

ARELLANO: There's just no question that it changes you. I went from there on my way back home, I visited my mother's family in Argentina. So I went down to Argentina, visited them and her family was extremely well-off so it was just night and day. And then I came back up through Peru and I actually spent some time in Lima and then I went home. So I took advantage of the trip to really Latin America and I think I came away

with a sense that I wanted to know more. I needed to learn more and I also needed to just understand more in depth but also that if I did work hard at it, eventually I probably could build on that kind of work. I felt very good about the way people responded to me and the way I responded to them; I didn't feel intimidated, I don't think they did either and it just kind of opened up a door of possibilities that I just hadn't really considered before. I also learned I loved to work with people. I mean I think I'd always known that but I just really reaffirmed that. The satisfaction was going to come from working with people.

*Q: Okay, now in your senior, what are you thinking about doing next since graduation is in sight.*

ARELLANO: Right. I wasn't sure. You know I was torn between going abroad immediately again or going to graduate school. Again, because of the sense that I got when I was there that I just really needed to know more, I hadn't studied enough about these issues or the countries to really make an informed judgment. So I applied to graduate school and was still unsure that I was actually going to go. I actually thought of applying to Peace Corps at the last minute and didn't do it. Because I really wasn't sure whether that was I wanted but I did apply when I went to graduate school.

During the summer after graduation I worked in New York. It's interesting thinking about that. I haven't thought about this in years. After I graduated from Cornell, where, by the way, at my graduation, this was very disconcerting for the parents, Nelson Rockefeller was the speaker and half of my class got up and walked out because of his connection to the military-industrial complex. It was an anti-Vietnam protest. That was a real moment for the university and anyway so that summer I actually worked at Prentiss Hall and I wrote a children's book, an elementary school level book about what we did in Brazil. It was part of a social studies text about the way we had worked in Brazil. So it was a very, very interesting experience and then I started graduate school.

*Q: Which school?*

ARELLANO: I went to UT Austin for Latin America studies. I mean I had known that I wanted to do Latin America, by then I realized I wanted to do Latin American... Really focus on Latin America politics and UT Austin was very good for that and they also gave me a fellowship so I thought it was the right enticement, no debt.

*Q: And a location quite different from one that you'd ever experienced.*

ARELLANO: Right, totally different.

*Q: Well, let's hear about it.*

ARELLANO: By then parenthetically, my parents were living in Houston because my father had been transferred from New York to Houston for the Exxon merger when Standard of Jersey merged with Humble Oil of Texas and so they were actually in Texas which was interesting. I had visited them but not a lot and I knew Houston. I knew it was

going to be different but Austin is a very different town then from what it is today. Austin was... I think I was one of the first women to have a bicycle on campus. Women didn't wear blue jeans. It was a very conservative... particularly for women, very conservative environment compared to what I had known in the Northeast. And I think the West Coast. I mean you really had things happening on the East Coast and the West Coast that just had not permeated into the center of the country, so that was a little bit of a shock but, on the other hand, academically it was extremely strong. I had very good professors. The graduate school was very strong. A lot of people from all over the country. It was a time when UT Austin was investing a lot. They had a lot of money and they were investing a lot in improving the graduate schools and so there were a lot of international students, etc. So it turned out to be a good experience. Culturally, it was surprisingly different from what I had known on the East Coast. Today I don't think that's the case anymore.

*Q: Now the money that was in Austin, obviously it's a state capital and it's got a university but is it also part of the oil patch?*

ARELLANO: It did get taxes, royalties from the oil exports, definitely, and that was what fed the university system. The university system was really starting to expand. It was interesting to watch that and then of course Lyndon Johnson in the White House and yeah, he was still in the White House, yes I think he was still in the White House. Then he wasn't. But he was then. So it was an interesting time to be there. I actually finished a two-year program in 15 months which you could do then. You just overloaded on courses and as long as you could do it, you did it and finished your thesis. So I completed that and overall I think it worked out well. I'd say from an academic standpoint, if you're talking about the school's focus on Latin America, they had an incredible library for Latin America studies.

*Q: So you graduated from college with a degree in political science and then from UT Austin, a graduate degree in Latin America studies.*

ARELLANO: Right.

*Q: What were you thinking of doing next?*

ARELLANO: Well by then I had decided what I really wanted to do was get a teaching degree which is why I accelerated the Master's. So I applied to a program that Antioch College had. It was the Antioch Putney Graduate School of Education and where you did a Master of Arts in Teaching in a year.

*Q: Where was that located?*

ARELLANO: It was located in Putney, Vermont. I had heard about it from friends who had been in the Peace Corps and they recommended it because it was a very practically-focused program so I did that. Actually went up to Vermont, did practice teaching, finished it in a year, but it what was clear to me by then was whatever I was going to do

was probably going to be education-oriented, very much focused on education as a primary tool of changing people's lives.

*Q: Fantastic. That is a lot of education. It took you through what year?*

ARELLANO: Through 1969.

*Q: Okay, so most of the time up to 1969, you are in school. While you were in graduate school, were there any other short trips to Latin America when you were in that program or was it pretty much just get a degree.*

ARELLANO: It was getting the degree. I had kind of decided that that was what I was going to do so what I did was just back-to-back education degrees.

*Q: All right. Now from Vermont, your family is in Houston and you've been quite a few places and you're now facing the job market. What's going through your mind?*

ARELLANO: Well I knew I was going to apply for teaching. I just wasn't sure exactly where. You know it's one of those things I look at today because I have four children and I watch what they've been through in terms of job searches and the opportunities now, Mark, are so different today. I mean back then you were cobbling together a career and you knew it was going to take you at least 10 years to get anywhere near where you might want to be but I applied for a job in Hartford, Connecticut running an adult education program for bilingual women and I was gradually moving toward a special interest, I think again a lot of this had to do with the time, in issues around women. As you know, this was right in the thick of the women's liberation movement and it just was becoming clearer and clearer to me that it would be an interesting area to focus on. So I applied, got this job. There were actually men in the program, they were all immigrants, non-English speaking immigrants, most of them illiterate who had no basic education skills. All of them on welfare and so I did that in Hartford for I guess it was almost two years. And it was just a very interesting experience. What it showed me was again a lot of what I had seen abroad was also happening in the United States.

*Q: Pause for a moment. The agency that hired you, what was it exactly?*

ARELLANO: It was the Hartford Board of Education. I guess I had realized I was interested in classroom education but what I was really interested in was non-formal education – what went on outside the classroom and so I started looking at that and I discovered these programs which were... Some of them with adults; some of them oriented towards the parents of kids in school because you had in the Northeast, as you know at that time, a wave of immigration from the Caribbean, from Puerto Rico, Dominican Republic and it was a real issue in the cities.

*Q: Absolutely. I mean they are coming from a different education culture and if they are coming from poverty from really no background in learning, some might not even know what it means to go to school.*

ARELLANO: Right and then what you had was a lot of people just coming right on to welfare -- Aid to Families with Dependent Children. Most of the people I worked with were on welfare and you realized that if you did do something with that, it was going to be generation after generation after generation and so anyway it was a fascinating experience.

*Q: Two years there and what was the position you actually held?*

ARELLANO: I was program coordinator. I was program coordinator for this adult education program which was at all hours of the day as you can imagine.

*Q: The immigrants you worked with were principally Spanish-speaking?*

ARELLANO: Principally Spanish-speaking because that was what Hartford had at that point in time. But you had Cubans, you had well-educated Cubans, I mean people who had fled Castro's Cuba and were perfectly literate but had no English and then you had people with very, very limited education of many sorts. So it was a fascinating experience.

*Q: And now from there, because it lasted two years, what are you thinking about in terms of future employment, future professional work?*

ARELLANO: Well after doing that, I was relatively burned out. I mean it was 24/7 with very little support. It was a program that you pretty much ran on your own. I had a lot of support for the concept but I was still thinking about going abroad and so what I did was I went to work in Vermont for, I can't remember, it was a little bit under a year. A friend had actually contacted me to participate in the pilot for the UN volunteer program which was just starting up in the early seventies. And it was somebody who I had known through the Brazil program. Knew I had languages. Knew I was very interested in international affairs and so at the same time I was working in Vermont in the Appalachia part of Vermont doing special programs for children who just couldn't keep up. That was what I did after Hartford but at the same time they were putting together this UN volunteer pilot program and they asked me to do that. They asked me to propose an area I was interested in and the area of the world I would be interested in so I wrote a brief proposal and...

*Q: This is to the UN and to I assume the secretariat of some kind?*

ARELLANO: Yeah, it was coordinated out of Geneva by the World Council of Churches and the UN in Geneva because the UN also has a base in Geneva. They were looking into a Peace Corps-like activity, but you had to have had two to three years at least of work experience. Most of the recruits were non-Americans, but I think they included me because of both the Cornell experience in Brazil but also this colleague who I knew was working on the program had a link to that program. And so I wrote a proposal and it was accepted and so I was actually in the pilot for the UN volunteer program.

*Q: Now what was the proposal?*

ARELLANO: The proposal was for Latin America and it was to look at issues related to women in development. The issues related to underprivileged women in Latin America. I was particularly interested in rural women so I wrote a proposal related to that and it was accepted. I think they liked the fact that I had focused on women because in Latin America, the set of issues for women was so severe at that point in time and so I was accepted and that was when I left the country.

*Q: All right, before we go abroad, let's go back just one minute to Hartford because I think that was a time when you really had to build your skills and identify how you were going to use your resources in order to complete the job and I'm curious to hear how you did that.*

ARELLANO: Yeah, this was the first job out of graduate school and what I discovered early on was it wasn't like I was in an institution that gave you very clear backing or... I mean they gave you a lot of authority but left it up to your own ability to lobby for people to help you specifically. Most of the classes were held in a very poor, relatively dangerous part of town, in the basement of a church, because the schools were overcrowded and Hartford was extremely poor at that point in time particularly in the areas where the client population was living.

I think after two years, what I realized was I had just learned a phenomenal amount but like most things, and I don't think it was just my generation, you go into thinking you are going to... You have very high expectations for yourself and what I learned was that it was really was important to look the challenges square in the eye and recognize what you were going to be able to achieve and what you were not going to be able to achieve. You were not going to change the world or change the lives of these people other than incrementally with a program like this. That understanding did not lessen my commitment or my passion, but I think it really challenged me to look very clearly about what I actually was able to bring to the table. It did teach me about the importance of management, about the importance of communication, organization, leadership, you name it. It was kind of soup to nuts because I was doing a lot of the work on my own with very large groups of people.

So after two years I thought, take a break from this, regroup a little bit, think a bit more about the future. You know I was 24 because I graduated from college very young, did the two masters degrees back to back and then jumped right into this. So I was 24 at the time I was finishing up with this. So it was overall I think a very worthwhile experience, taught me a lot about myself in terms of where energy comes from.

*Q: Okay, so now, let's go ahead and take a look at the UN volunteer program and how you brought these insights into your next experience in Latin America.*

ARELLANO: Exactly. Well I started, as I said, I've got to get the chronology straight here. In '71 there was an initial training session in New York and then another one in Geneva, then I went to Mexico to learn Spanish. Spent three-four months in Cuernavaca learning Spanish, reminding me of my Spanish and building it up a little bit and then was assigned to Peru and Bolivia to build these programs with rural women working with community groups there. I did that. I was in Peru for about six months, then I went to Bolivia for a year. In Bolivia I was working with the national community development entity that existed at that time but has since been shelved. I was working very closely with a Bolivian colleague, a Bolivian social worker. We were working at the community level with women's groups.

*Q: Now these women's groups, they were with indigenous women.*

ARELLANO: All indigenous. Most of them in the Altiplano, in the high plain area, they were Imata women, non-Spanish speaking, Imata-speaking women but we also worked in Cochabamba which was more Quechua speaking.

*Q: Since you had not been trained in those indigenous languages, how did you communicate?*

ARELLANO: A lot of it was with translation because we had some rural promoters we were working with and spoke both Spanish and Imata, Spanish, and Quechua and then by the end of it I was pretty much understanding. Their languages you can understand and I was kind of studying at night and trying to learn on my own as well.

*Q: And how did you build trust with them?*

ARELLANO: Well I mean, a lot of it was just listening, asking questions and listening. The basic questions are always the ones you start with. Asking about what their problems are, what their issues are, particularly related to the family and children and income and health and so a lot of it was that. The fact that I was working with these Bolivian women was tremendously helpful. They were just an amazing team of people and I became one more person on the team. So that worked very well. But it was just a very, very positive experience.

*Q: Now because so few people actually engage with indigenous women in Latin America, can you describe a little bit about what their lives are like. Quechua-speaking women and some of the other indigenous languages, most people would get everything they know from a national geographic article.*

ARELLANO: Well I mean in the early seventies; it was very different from what it is today. I mean there are still pockets in Latin America that are isolated and disconnected but in that period a lot of it was Peace Corps where they got kicked out of Bolivia, was all over rural Bolivia and you know people tell you stories about being out there and not being able to get back from your community for how many weeks at a time. So there were some very isolated communities.

The women were very much at the center particularly Imata women but also Quechua women in agriculture. They had very important productive roles. So a lot of what we were talking about... And yet they didn't have access to credit because they were unable to hold title to land, so a lot of it had to do with the resulting hardships from these barriers. They plowed; they took care of cattle; they did everything but what they didn't have was the legal status that enabled them to create small business, become stakeholders in any kind of market economy.... And so some of the work being done was just that sort of thing. But also informal education related to taking care of children. Basic health education. Nutrition education, etc. And the more practical you were, the simpler your message was, the better that worked because it really allowed them to talk about what they confronted. You know some of the stories were just mind-boggling.

*Q: Given the difficulties built into the legal system, were the women able to improve their situation with your help?*

ARELLANO: They did solve some problems. I mean it was just amazing. It's where I learned that human beings are amazingly resourceful. In some ways, the less you have, the more resourceful you are. Real eye-openers in terms of improvising work arounds. But you know you also witnessed a lot of tragedy. The infant mortality rate. The maternal mortality rate was so high. Pregnancy was very high risk. The husbands tended to be quite supportive but there was just a tremendous lack of awareness and lack of education. A lot of the traditional medicine, medicinal practices were interesting but in really severe cases just did not work. There was a fatalism to life, just a fatalism and the women in many ways were the carriers of the fatalism.

*Q: Sure, when there's very high infant mortality, and you don't even know if you'll survive a pregnancy, it's natural.*

ARELLANO: Yeah, it's a shot in the dark.

*Q: So at the end of the programs, how would you evaluate the outcomes?*

ARELLANO: I mean I think the success of the program was that it continued. In other words, I was leaving and the program was going to remain and that for me, in that stage of my life, was success. It was going to be continued by the people I worked with. I was moving on. I hadn't been... Actually, I didn't move on for one reason but I thought I was moving on and so the program continued and became a permanent part of what this organization worked on.

*Q: Is the UN volunteer program still active?*

ARELLANO: Oh yeah, yeah, it still is. It became a permanent program.



*Q: Given that this is still the early 1970s and attitudes toward women in the workplace still had a ways to go, did you encounter discouragement or did some in positions of authority suggest that you get into more “traditional” work.*

ARELLANO: Well my parents never did that. I mean they knew that I was going to do what I was going to do. I mean they were very, very encouraging. I think they really didn't understand what I did part of the time but they definitely encouraged me to do it. I guess I really didn't find that and I had become very, very committed to women's issues both through this program, but even before I went, as you know there was a lot of ferment in the United States during that era as well. And a lot of my best friends were very, very active in the women's movement and so, no, I never really found that to be the case. I think particularly Bolivia was a very good environment. Bolivia has less of a culture of machismo. I think a lot of it has to do with the Indigenous-Spanish mix, less of a culture of machismo than other places. I mean the contrast between Bolivia and Mexico, for example, was astounding since I had been in Mexico and then I moved to Bolivia and Peru. I just found that Bolivia and Peru were light years ahead in terms of the options that women had.

*Q: All right, now you're coming to the end of this volunteer period with the UN volunteer service. And you're in Latin America which is where you had wanted to be. what's next?*

ARELLANO: What do you do next? Well, when I was in the UN volunteer program, one of the women I worked with introduced me to my husband. I had met him relatively soon after I arrived. He is an archaeologist, so he was out on digs all the time and I didn't see him all that frequently. But then I reconnected with him two weeks before I was leaving the country. So when I left the country, we had always talked about my coming back. So I went home to Houston where my parents lived and then three months later, I came back to Bolivia. Basically, went home to visit and then came back to Bolivia.

*Q: What sort of archeology was he doing?*

ARELLANO: Pre-Hispanic. He worked in one of the largest sites in Bolivia –Tiahuanaco by Lake Titicaca and he worked all over and eventually became director of archeology for Bolivia.

*Q: Wow, fascinating. So he is a Bolivian citizen.*

ARELLANO: Oh yeah, he is Bolivian. And so I went back. We got married and we just lived in Bolivia for the next several years. Let's see I returned in '73 and I joined the U.S. government at the end of '87. So for 15 years, 14 and including the UN volunteer program, it was 15 years, I lived in Bolivia. We had four children and made our lives there.

*Q: And he continued in archeology at that time. Did you take part in that at all?*

ARELLANO: No, no, I did other things during that period. I taught at a university. I did evaluation work for the World Bank and the UN system. I managed a project for six years that was World Bank funded, again with rural women.

*Q: Was that one that you had written and then proposed or they hired you?*

ARELLANO: They hired me. It was an income-generation program for rural women in all of Latin America. I did a lot of traveling. I worked all over Latin America, did that for six years. So for that 15-16-year period I worked primarily in, almost entirely in development and a lot of it in rural development and most of it focused on women.

*Q: All right. So during this period from the mid-seventies to the late eighties, how would you describe the development for women in that period?*

ARELLANO: I think it was a very interesting time in Latin America. It followed 1975... Let me go back a little bit. One of the reasons that my project for the UN volunteer program was approved was that they already knew in '71-'72 that there was going to be the Mexico City conference which was 1975, the first international conference for women followed subsequently by Nairobi and Beijing every 10 years. And so 1975 came and in 1973 the U.S. government actually approved what was called the Percy Amendment. The Percy Amendment, and I was not working with the U.S. government at the time, but it had tremendous influence in the developing world because what it said was that U.S. development dollars needed to ensure that the benefits accrued by those dollars were equally distributed among men and women. It was Charles Percy, Senator Percy from Illinois and he was really visionary on that. But it was the first...the U.S. government passed that in 1973 so in 1975 was the Mexico City conference and you really started to see an awareness growing in Latin America and I think the third world in general that it was very... The World Bank started doing its studies that looked at development benefits. Do you projects really succeed if women are excluded kind of thing? And they started looking at it. So it was just a very interesting time to be there and working on those issues.

*Q: Were benefits seen? I mean could you...*

ARELLANO: Oh yeah, you really started to see it and it took a long time but when people look at the decade of the seventies and the eighties, really is almost a take-off point in terms of changing some of the really negative indicators related to literacy, related to poverty, related to infant and maternal mortality, life expectancy. I mean it's when you really started to see... And then you have the concomitant population issues as populations really started to grow exponentially in some countries.

*Q: Yes, as I recall there was also a huge migration to cities creating giant slums on the outskirts of Mexico City, favelas in Rio, and so on.*

ARELLANO: And the size of the cities. I mean when I was in Brazil in the sixties, Sao Paulo was three million. Today it's 22. Mexico City when I was there must have been

maybe five million. Today it's what, 20? Cairo. I worked in Cairo. Cairo is 18 million I think or more. And a lot of that has to do with sudden increase in life expectancy. You know, for example, in Bolivia when I got to Bolivia, life expectancy was in the high forties. I think it was somewhere between 46 and 47 years. Well today it's 65 I think. So, I mean that has all sorts of implications, economic and social. But as I say, it was a fascinating time to be there.

*Q: Now, you're also raising a family in Bolivia. All of your children went to school in Bolivia or did you send them to school outside?*

ARELLANO: No, they all went to school in Bolivia. They were born in La Paz and they all started school in La Paz except my daughter who was a baby when I joined USAID.

*Q: Now, so their educational experience... Did you also then send them to the U.S.? Or as you were a kind of citizen of the world, working in many countries, did you want them to have a similar upbringing to the one you had you had as a child, you know living in a single location with the parents always present or did you want to kind of begin to put them on the road?*

ARELLANO: Well I think they started out in Bolivia at least the three boys and then my daughter is the youngest but the three boys had those initial years in Bolivia. They went to the German school which is a very good school in La Paz. So they all started at the German school. They had Spanish and German before they had English but that's worked out beautifully for them. And yeah, we did a fair amount of traveling. We'd come back to the United States because we stayed in touch with my family so that was a big thing to take a family that size back in those days and then we vacationed in Brazil or in Chile or places like that. They saw a lot of Bolivia but the oldest was 12 when he left, when I joined USAID and we moved to our first U.S. government post. So they weren't that old. But you know, like most foreign service families, none of them graduated from the same high school.

*Q: Now how was your husband about this move into the U.S. government? I mean was he comfortable as well?*

ARELLANO: Well I think we agreed, I know we agreed that for the kids this was the best thing. I mean the opportunities they would have, just for us as a family it was going to work much better. He had done an amazing amount of traveling. Actually when I applied to join USAID, I was encouraged by a USAID colleague in La Paz. He was in Japan. He was working in Japan for a year, studying and working in Southern Japan and he agreed with me. He said "Listen, give it a go. If it works out, we'll talk about it." But I think we thought for the kids it was a good way to segue them toward... We knew that eventually they probably would be leaving Bolivia just knowing how they were and so no, we were in complete agreement.

*Q: All right, now when you joined USAID, it's in what sort of capacity?*

ARELLANO: I joined as an education officer. That was my backstop in education.

*Q: And when you joined, was there an orientation or did you simply come on board and they had an initial posting for you?*

ARELLANO: It was an interesting time. USAID hires and then stops hiring, hires and then stops hiring. So this was a period when they had opened up hiring again. There was no assigned post. You worked that out during your time in Washington. So I left the family in Bolivia and I came up to Washington to do the entry-level. I worked out my own assignment when I was there just talking with people and you know people getting to know me, where would be a good location. I found USAID was very good about understanding that with a family and children, it would be good to kind of jump into the pool gradually and make sure that the family adjusted to what was going to be a very, very new life for us. We had never lived in the United States as a family and so that was... I just found the treatment by the U.S. government for my family was exceptionally user-friendly. And when you have that, you're grateful especially for a family as large as ours was. And the risk we took because we were fine in Bolivia. We were doing just great. Both of us had jobs. We were doing really well and it was kind of leap of faith on all of our parts but it worked out really, really well.

*Q: On the timeline, you joined USAID in what year?*

ARELLANO: I joined USAID in late 1987. It was part of a hiring effort they made, initially hiring mid-level professionals. But by the time my application was being processed, they were no longer taking in mid-level professionals and so a group of us, even though we had experience, some of us vast experience in development, were brought in as development interns. It was part of what was called the IDI program, International Development Intern program.

*Q: That's interesting because given all of your background, you wouldn't have thought that they would term you an intern.*

ARELLANO: So it was. And it was really at that point, this was the beginning of tough times budgetarily in the late eighties, early nineties. We were moving toward the Balanced Budget Act in 1995-96. I believe, and this was the way to get into the agency. So it was a decision we made as a family and frankly never regretted. I left my family in Bolivia because by then we had four children and I came up to Washington on my own. They agreed that, because of my background and my experience, I could do an accelerated program. So I did the new-entry training which was about a month and then I worked for two to three months in the Latin America bureau. This had been, of course, my background. And then I was assigned to Ecuador.

And I think the time in Washington was very interesting. It was a time of a fair amount of change. George Bush senior was just about moving into the White House by the time. There was a lot of questioning, a lot of discussion going on in with regard to USAID, the role of development, the role of the private sector in developing countries, so it was a

good time to be there. I was glad to get back overseas and Ecuador was an excellent first post.

*Q: And not terribly far, at least just as the crow flies, from Bolivia. I imagine even today the airline connections from one Latin America country to another can be a little tricky.*

ARELLANO: Yeah, difficult. I had worked in Ecuador before when I was on a World Bank project so I knew the country. It was a good place to bring my children, three of whom were in school already and it was kind of a way of easing them into what was going to be a very unstable international existence but it worked out very well for us. I arrived at the mission at a very interesting time. They had just had a major audit. The USAID mission had just had a major audit of its programs. There had been some very, very serious audit allegations that it was dealing with.

*Q: Was this just an audit of finances, or was a full inspector general visit where systems, procedures, security, etc. are all reviewed.*

ARELLANO: It was the inspector general. USAID has its own internal inspector general and so there were some very serious findings and so the mission basically... When I was arriving, it had a very senior, experienced team in leadership there fortunately but they were dealing with these findings and figuring out how they would shape them going forward and basically reshape the program and the mission.

*Q: Reshaping to address changing development problems, or better accounting procedures, or both...?*

ARELLANO: There was some of that going on because some of what had happened was that... I think in many cases when a very close relationship develops between somebody who was not that experienced in the ways of the U.S. government as happened with the previous mission director, not the one that I went to work for, but his predecessor. There were things about that relationship that really needed to change in terms of transparency and setting limits on what kinds of things the U.S. government was willing to support and able to support in a country, to be very frank, corruption is rampant, as you know. This is not a secret to anybody and at that time especially. And so that kind of exposure was very, very interesting just to kind of watch it at your first post abroad.

*Q: When you arrived, what was your official position?*

ARELLANO: I did a second tour in Ecuador sometime later when I became mission director. This was 1988, April of 1988, and it was my first post. I was a deputy office chief in the general development office in charge of education programs but also some programs related to narcotics prevention and a pretty wide variety of activities. It was a very interesting portfolio but I was at the bottom rung, just kind of learning and getting mentored into the agency.

*Q: What was your budget at that time for your projects? Roughly.*

ARELLANO: For my projects? Maybe total I think was about 15 million dollars or so total. But as I say it was a broad swath. The good thing about it was that it was a broad portfolio and gave me immediate exposure to the interagency. And it was really, and this was before the fall of the Wall, and I think the fall of the Berlin Wall was what pushed USAID even more strongly into the interagency environment. But I was pleased that in Ecuador, I kind of was given the opportunity to see the handwriting on the wall which was what it was going to look like in the future. That really we were moving toward much more of an interagency approach to development programs and foreign assistance and so as I say it was a very interesting first assignment and in some ways I was glad it was such a broad-based assignment.

*Q: In practical terms, what did increased interagency activity mean for you?*

ARELLANO: What we had done, and I think again this is a model that has carried forward, I mean we would set up interagency task forces. For example, in the area of counter drug work where different agencies were it Justice or DEA, be it us, be it the political section, that were working on what was for Ecuador sort of an emerging threat. It wasn't a large drug-producer but it was definitely a transit and money laundering was an issue. So we would meet usually on a weekly basis on issues like this and then we were doing some work in civil society so there was a very close linkage with the political section and public affairs was then still USIA and as I said most of the time we would have regular weekly meetings and then because of some of this, I was also given exposure in the management of this activities. I was given exposure to having to brief the ambassador, to brief the DCM and it was an excellent experience and just kind of see what their priorities were, never having worked for the U.S. government before and been kind of... My exclusive focus being development work and very often rural development work, it was exactly one of the reasons I wanted to join AID was it gave me that broader exposure to issues where you saw that it wasn't just the development piece. There were things in the bilateral relationship that were going to, because of the bilateral relationship, really be shapers of the way we did development. You couldn't work in isolation so as I say it was a very, very good first tour.

*Q: Okay, so it sounds like within the embassy as you began to work more broadly with all of the different players, it became a smooth working relationship.*

ARELLANO: It did.

*Q: Because, you know, it can also happen that the various players in an embassy are very turf conscious and don't work and play well with each other.*

ARELLANO: It was interesting because not only was I able to observe when AID does that because I had colleagues that were that way and colleagues that weren't that way, but also was in the embassy watching some of the other agencies do a bit of stonewalling so you kind of got a snapshot of how important the personality and team dynamics are.

*Q: How were your relations with your Ecuadorian partners in your program activities?*

ARELLANO: You know it depended on the program. Some of our relationships were extremely smooth. Ecuador had a very strong NGO community, very well-educated people, very forward-leaning, wanting to do right for their country so I had some wonderful partner relationships even on very delicate issues like counter-narcotic stuff. Where there were the most tensions usually was where you had officials who kind of were bringing forward, I think probably from a previous era where they had been told that whatever they wanted to do with the money, they were going to be able to do it, and this message clearly had been the wrong message especially in a country where you had people who were not always thinking about the country. In many cases they were thinking about their own vested interests and how they could promote them for either themselves or their cronies. So that's where the tensions emerged. By then I think we kind of, I don't know how to say it kindly, sort of had their number and you knew who was who, but again it was just a terrific experience because you realized that you had to look before you leaped and think twice about how much you committed before you really moved something forward for an individual you didn't know well.

*Q: You spent three years there?*

ARELLANO: About two and a half.

*Q: How would you evaluate this first USAID program experience?*

ARELLANO: You know other than learning a tremendous amount which I think is what you always want out of a first tour, in terms of contribution, I think there was a bit of a reshaping of the program and I feel like I was lucky to be part of that. Where we really were able to deliver a much clearer message in terms of the kinds of expectations our Congress was going to have related to the monies they were giving the country. That it wasn't just going to be, not just a blank check, because they knew better than that, but that the U.S. was going to have certain expectations in terms of accountability, serving the underserved and the unserved. Some of the issues related to anti-corruption and judicial reform. I think the judicial reform program which was one of the really controversial ones that I worked on was also one that was starting to send the right message because the judiciary in Ecuador was so non-performing at that point in time.

*Q: For your family, how was Ecuador? Did they end up joining you?*

ARELLANO: Yeah, they did and they actually wound up staying for two years. They finished the school year in Bolivia and then came from one week to the next because the school calendars were different so they had no summer vacation but they came right into school there. It went very well and we made a tough decision I may have mentioned this. They had been in the German school in La Paz. We kept them in the German school because we just weren't sure how this was going to work out for us. So they stayed in the German school for that additional two years. The German school in Ecuador was also a very, very strong school. So in general it worked out very well. My kids are all tennis

players and Ecuador is very, very strong for tennis training and so they all kept up with their tennis and played a lot of soccer and so overall at that age, they got what they wanted out of it.

*Q: Okay, that's great. And you husband, did he commute to Bolivia?*

ARELLANO: No, my husband is a geological engineer by training but had taken on a career of archeology and he had been a lead archeologist in Bolivia but had contacts in Ecuador. So by the time he got to Ecuador, he was working at the Catholic University and also had a National Geographic grant to do some excavations in the Amazon and the highlands as well so he was fully occupied.

*Q: All right, what happens as you move towards the end of this tour? Are you now looking at another posting or maybe a tour in Washington? What was the next step?*

ARELLANO: Well I think the thinking was I would stay. I'd always been told, don't stay two full tours. In other words, four years at your first post. So I'd always been thinking a maximum stay of three years. But this has been the story of my career. You'll see. I've never really applied for jobs. You kind of get a phone call that there is a vacancy where they need you and about a month into the start of what have been my third year, I got a call from Guatemala and they asked if I could go head up what was the democracy and human rights office in Guatemala. This was at the time of the negotiations for the peace accords to end the civil war. It was 1990 and for the next six years, those negotiations took place. But they asked me if I would do it. We checked on the school and so we decided it was a good place for the family and we moved up to Guatemala in 1990.

*Q? Now you're actually moving also into a field that is somewhat different from the one that you had been working in previously. From education and rural development into democracy building and human rights. How did you feel about that?*

ARELLANO: I mean I felt, because I'm a political scientist by training, I think it was almost like I was finally doing probably what I should have done originally but when I joined the agency, as you know, this area was not a major area of focus until late in the Reagan years through Bush senior and then under President Clinton. So it was an emerging area and one that we never really had a backstop as such, it was a cone that really had not been clearly defined. But I felt like it was a very smooth transition.

*Q: So you get there in 1990 and what's the size of your program?*

ARELLANO: Ah, some of these questions are hard to remember. I would say there it was between... because we did administration of justice. We did civil society. We had a number of other activities in the democracy-building area. A program with the Guatemalan congress. I think probably somewhere in the range of 15-17 million. I may be underestimating that; it may even be larger. These programs were about 15 per cent or so of the total USAID commitment in Guatemala. There was a very large health program, a very large agriculture, very large food for peace. I mean these were some of the



earmarks from Congress. This area was not yet a congressional earmark. That hit me later in my career when I moved to other regions when the democracy issue really had come front and center.

*Q: How do you establish your programs? What instructions are you given or did you have the freedom to look at the local scene and talk to contacts and make some independent decisions?*

ARELLANO: The programs existed. Most of these programs existed. We had a justice program that was a very large Central America training initiative which actually may have pushed the budget even higher now that I am thinking about it, but these were very large programs, very significant programs and once again, you inherited them. You inherit them with the good and the bad. The justice program had gone through a major audit as well and really required reformulation as a result of that. There had been a... I won't mention the academic institution, but there had been a major issue with an academic institution and so as usual you take what you get, you assess where the country is. You try to crystal ball a little bit on what may be coming up in the future and you do the reshaping exercise where necessary. In general, the programs pretty much the content and the focus remained the same. What changed was how we felt about the role of the government in terms of its true commitment to reform. Because, as you can imagine, be it on the economic side or on other things...

For example, one of the projects that was under my purview which I coordinated very closely with them was a fiscal reform program that had to do with... Well Guatemala had one of the lowest tax payment rates, according to the IMF, in the world. The wealthy just didn't pay taxes. So you started looking at the two or three issues that really were going to kind of be the bellwethers for reform. How were we really going to assess whether the government of Guatemala was committed to change? Because it was coming out of so many years of military dictatorship and human rights abuse and abuse of every other kind and really the instruction from the administration, which was, of course, President Bush, who had... They had very good contacts with the Guatemalans but by then it was crystal clear that you didn't just, because you were dealing with the private sector, assume that the private sector of Guatemala behaved like the private sector in the United States. You were dealing with a private sector that had been allowed to, for years, operate entirely on its own terms and as a result the government was not in a position to really move certain needed reforms forward. They had fiscal issues. They had human rights issues. They had just all the development indicators were among the worst in Latin America so that was what you looked at.

*Q: It seems that every sector of society really needed to a new understanding of the appropriate role they had to play in democracy. In terms of the private sector, were you able to find partners who understood this were willing to do some of the initial things that could be used as examples? Perhaps corporate social responsibility or..?*

ARELLANO: Yes, not just me. The mission had that approach. Under the direction of a very, very good mission director and an ambassador who was really quite extraordinary.

He was Thomas Stroock from Wyoming. He was a political appointee under the Bush Administration but really when he arrived he saw exactly what was going on and he knew where he wanted to make his mark was in modernizing the behavior of the Guatemalans. He told us that. That was his goal and he set about doing that in a way that...because he had the credibility and he had the support that he needed to do it. It was just a very interesting thing to be part of. We had some excellent partners in the private sector. USAID was actually able to develop some very interesting public-private partnerships. In the area of coffee production, small production coffee growers, in the area of some of the civil society strengthening and training programs with a very, very forward-looking head of a supermarket chain who saw what was happening.

And there were a lot of those kinds of relationships starting to develop among the Guatemalans which is always the most important thing. I mean, we're observers. We're not going to be able to force that reform. If we force it, we may be able to do it momentarily but then when we leave, it all goes back to square one. So it was an interesting time and again since they were negotiating the end of this 50-year civil war, there were a lot of vested interests in trying to make it work and trying to reshape institutions. Of course, what's painful as you look back, is how many of the problems still exist and also how many new issues have emerged on the horizon, you know the gangs and the violence issues that kind of set things back. I think Guatemala has always had a bit of an uphill battle.

*Q: When you were there, once again, what was the most important thing you saw develop? Because sometimes it's surprising. You know you want to develop, let's say a human rights court, but it turns out that the weight of interest among the Guatemalans is somewhere else.*

ARELLANO: Yeah, no I think the most... Two things happened. One of them is we had a program that supported the establishment of human rights offices throughout the country under a very forward-leaning lawyer/politician who eventually became president of the country. Ramiro de León Carpio, at that time he was the Human Rights Ombudsman, which was part of this new constitutional look after the military dictatorships. He was a very, very courageous individual. Looking at it the way I looked at it at that time, extremely courageous. I traveled all over the country with him to some of the areas where human rights observers who they had in each of these locations, very often they were being killed. They were putting their lives at risk on a daily basis. So watching those offices take shape, some of them you'd say okay, they're in an area where there wasn't that much tension but some of them were in parts of the country where there was tremendous tension, particularly with the Guatemalan military and paramilitary because there were a lot of paramilitary forces throughout the country still. A lot of arms and a lot of just stuff left over from the civil war. So that was one.

The other was, of course, when he became president. I think it was a signal that people, his image and what he projected, really had captured the attention of the people as a way they wanted the country to be projected. And again, I go back to the private sector. There were some excellent people to work with in the private sector. I mean just top-notch and

the country is so productive and so wealthy in terms of its creativity and productivity that really you saw that the private sector, you know really a modernized private sector, could have a major impact. So I'd say those two things gave you hope for the future but again, having worked in Guatemala before I got there, because I had worked with this World Bank program also in Guatemala at a time when it was very, very dangerous in the early eighties. You know you were just glad to see these kinds of lights at the end of the tunnel and just hope that they could hold on to it.

*Q: Was this also a moment when, in general, USAID was also trying to increase the role of women in all of these fields who might not have been as involved before?*

ARELLANO: Right, exactly. I mean, we had, for example, the Central America Training Program which was again a democracy-building program after the war in El Salvador and after some of the Guatemala situation. Some of these programs actually had... We set quotas for a number of trainees that needed to be females and there were things like that throughout that filtered through all of your programs. In 1993, I went on home leave and when I was on home leave, we were coming back to Guatemala and the deputy director and mission director were both pulled off to do other things. One of them was actually pulled back to Washington after the election of Clinton to do a very important job in Washington. Another was sent to Costa Rica where he was going to be the last mission director before we closed that. So they asked me if I would come up to be deputy director. So I stopped doing that office work and then after three years but that was where you could kind of get a broader look at how we were encouraging women throughout the portfolio.

And there were women in Guatemala who felt very responsible for what they were doing and felt responsible to give back and include women in general and you saw that in some of the think tanks. I worked with a deputy minister of finance who was absolutely terrific and became instrumental in a lot of what we were dealing with. I mean you had key officials. Where we had to insist that more women be included, and the Guatemalans really liked the fact that we were insisting, was with indigenous women. When you looked at the development statistics for the country, the difference between the better-off urban and peri-urban versus the indigenous was startling. The urbanites were able to move forward with a certain dynamism, with employment opportunities and income-generation opportunities. But in rural areas there was just a tremendous amount of violence against women. Some of this is due to customs from previous eras, the tribes in Guatemala, which there are numerous, and further divided in so many linguistic groups, well you faced a lot of fragmentation. So the social cohesion when you tried to deal with issues like this that really addressed issues of women but one of the ways you do that is by focusing your programs. And then when the peace talks really looked like they would be successful, and the U.S. started shaping its post-peace strategy, we made sure that we really had a major focus on, not just disadvantaged groups and isolated and marginalized groups, but also women.

*Q: So you were deputy mission director from...*

ARELLANO: From '93 to '96.

*Q: So a total of six years. Isn't that long even by USAID standards?*

ARELLANO: Six years. This was the longest we stayed anywhere. In some ways it was a gift because I was allowed to get one of my children through high school there which worked out perfectly. My first son had actually decided that he wanted to play high school sports so he had gone to live with my brother in Los Angeles and went to a private day school in Los Angeles and graduated from high school there. And it worked beautifully for him but we were close enough that... Anyway, in Guatemala we got two of them through high school which is what you always organize your life around as you know in the Foreign Service.

*Q: Absolutely, that's why everything moves on the school year. So, all right, so as you conclude a long tour and one in which you're essentially looking at almost all of the USAID sectoral activities, how would you characterize then the end of the six years?*

ARELLANO: Two things are worth noting. When they moved me into the deputy director slot, I spend a little over a year actually as acting director as well because the replacement for the director could not get there until later. It was a tense time budgetarily. It was when we were dealing with rightsizing the missions and closing missions and so one of the things that I oversaw was the rightsizing of USAID in Guatemala. USAID Guatemala had been very large; it was one of the largest presences in the world because you had the Central America regional mission as a separate mission and also the bilateral mission. We went from over 300 total employees with local staff and Americans to 147 I think. And that was one of my roles, was to do that. So that management challenge, doing it in a humane, sensible way, but having to do it, was really very unexpected and kind of threw me into the deep end as a first lesson in swimming.

That, and then as I said, the peace accords, the negotiations for the peace accords. It was really fascinating to watch. Very much an almost take the blinders off and see the country for exactly what it is. Because if you were going to marshal resources of the kind they needed after the war, not only from them, but also from donors, you really had to take a very frank look at what the country was willing to commit to.

*Q: Given the interest generally in ending the war and then post-war reconstruction, were there other major players who worked with you, made effective contributions?*

ARELLANO: Yeah, on the Guatemalan side, they had a peace commission that we worked with constantly, on a daily basis. People I saw all the time and that was an excellent experience. Of course, the mission director who came in actually was there for the signing of the peace accords which happened two months after I left in 1996 but the negotiations were extended and a big piece of what extended them so much was the international commitments. Very intense relationship with the UN system and the donor community. I mean very intense. We met morning, noon, and night. We saw each other all the time. I had another very strong ambassador, Ambassador Stroock had left and

Ambassador McAfee came in and she was playing a major role in the peace negotiations so that I think was what you take away with you because it really was almost like a litmus test for the country as to how much they were willing to make these commitments.

*Q: Were there other major countries that were also involved? In other words, did you have interaction with perhaps, the Germans if they had some development going on there, or the British or so on?*

ARELLANO: Yes, all of the above plus the Spaniards who were very, very important. Most of the Europeans and Canadians were involved by the time the peace accords had really come to fruition. The World Bank was a major focus as was the IMF because of the economic implications. Some of the economic modernization issues, clearly the Guatemalans had an economy that required structural reform. A lot of it was conditioned on major loan agreements, etc. So it was kind of a PhD in development to watch it all unfold.

*Q: As it's winding down for you, and a new director arrives, did you get that next call?*

ARELLANO: Yes. I did have a call. I was approached by the fellow who had been my mission director in Ecuador and he was going to Bolivia as mission director and he asked me if I would go as his deputy. So, of course, for us that was ideal. For my husband to be closer to his family. I mean these opportunities in USAID are very rare so we went back to Bolivia. I realized that it was a unique opportunity but it was a second deputy job which also in AID you usually don't do two deputy director jobs. But I felt like I was new enough to the agency; I had been tenured in Guatemala, I mean I wasn't even tenured, and so we went back to Bolivia but only stayed there for two years because after two years, I got the phone call while we were on home leave about to return to Bolivia, whether I would go as mission director to Ecuador.

*Q: That seems like an offer you couldn't refuse.*

ARELLANO: So it was... Anyway... And in some ways going back to Bolivia I think was a good thing. Unfortunately, again it was a time of rightsizing so what I did during those two years in Bolivia, the usual oversight and the usual program stuff which I knew the country so well, you could kind of do but the mission went through a serious rightsizing as did most missions in USAID at that time. A lot of it as you can imagine had to do with the opening up of the missions in Europe after the fall of the Wall. You opened up this massive number of missions without more staff and without a lot more budget on the operations side, and so what that meant was that the traditional missions had to contribute and Latin America was a prime candidate because Latin America at that time was viewed as moving forward. The development indicators were improving. When I was in Bolivia, the mission in Chile closed. The mission in Costa Rica had closed and in Argentina and Uruguay. I mean we were removing ourselves from a number of countries.

*Q: And for those countries, that's realistic. They were easily moving into middle income.*

ARELLANO: With exception of Bolivia, yes, there was no reason frankly to be there anymore. So we actually helped Chile establish its own donor capacity because Chile wanted to set up its own, as it was negotiating the free trade agreement with the United States, they also wanted to set up a donor capacity.

*Q: That is impressive. Okay. So what did you focus on just in terms of the specific development objectives for this tour in Bolivia?*

ARELLANO: Well, at the time we had a very friendly government to the United States. So there was a major counter-narcotics focus, major, so coca eradication as well as judicial transparency. Very, very strong relationship with the minister of finance to work on keeping them in the good graces of the IMF which was always an issue for them because they relied very heavily on IMF and World Bank assistance at the macroeconomic level. Health and education. But in general it was an excellent two years because I had never really had a formal U.S. experience in Bolivia. I had done some contract work but I had never been a Foreign Service Officer with USAID.

*Q: How did the eradication of coca program go? I imagine there was resistance.*

ARELLANO: Right and especially in Bolivia. They are extremely organized, very militant, so there was just a lot of strife. But there's always been a lot of strife in Bolivia. Having lived there for so long, to this day, it is just a way of life. Very well-organized at the community level. Very, very vehement. The government was a strong partner, and if you've talked with any of the ambassadors who were there during that time, even the mission directors, they could tell you. But as a result of that, there is no longer USAID in Bolivia. You know, after I don't know how many years, I can't even remember when the mission was shut down there, but it took a while. It took 10-12-13 years but you had a president, you still have the same president, who was a leader of the coca grower's movement and he ran on that platform and won. So again, the double-edged sword of how far you push, how hard you push. I mean the government was very much with us. I think the attitude of the U.S., at least when I was there, was it's only going to happen if they want it to happen so they had to be in the lead. Now we set certain terms and we were a very powerful partner and player in that. But you had a government that was extremely friendly to ideas of not wanting to become a narco-state, not wanting the judiciary to be totally in the hands of either the Columbian mafias or other mafias. I mean just very, very strong statements. But at the grassroots level, that level of analysis fell on deaf ears because it's an extremely poor country and that was the bread and butter to this day. So it's the delicate balance. I think there's been a lot written about that but it was interesting to live it. And I lived it before I joined AID, before the end of the seventies, you already had a very strong coca grower's movement and as they shut down the mines, which had a lot to do with keeping in the good graces of the IMF because they had a very, very hardline stabilization program that closed down what were the state-owned mines, they couldn't afford to keep them open anymore, a lot of those miners were relocated to the coca-growing area. Well, they were relocated to the tropics and sub-tropics where they were kind of told, go out and grow things in areas where really the only thing that grew was coca.

*Q: That's what I wondered. There is no easy replacement crop.*

ARELLANO: Right, but they were extremely militant. I mean there were some alternative development programs that showed real promise but as they said nothing that... You needed to have the population not only committed to export bananas and coffee and things of this sort but also to the fact that growing something licit is better for your children and the next generation and you didn't have that. That consciousness just wasn't entirely there. It was there among some people but it was not the majority.

*Q: Okay, wow. So you complete the two years in Bolivia and then you go on back to Ecuador as mission director.*

ARELLANO: And then I did three years in Ecuador with a much reduced program and budget. I mean Ecuador economically was doing better relatively speaking.

*Q: And I'm sorry, you take over the directorship in Ecuador in what year?*

ARELLANO: 1998. 1998 and I was there from 1998 to 2001. In 2001, the program in Ecuador hadn't changed that much except that it had shrunk dramatically. It was a much smaller program. Relationships with the government were so-so but then with Ecuador, that's always going to be the case and the mission had gone down to about, I guess we were in the range of 25 employees, down from one that had been well over a hundred during the late eighties and so it was very targeted, very focused, again a very heavy narcotics awareness program. Some microfinance, health programs, etc. Very heavy focus on the environment which during the Clinton administration was really an emerging area and biodiversity because Ecuador is so rich in that area. So it was a very fragmented portfolio. We did a lot on the Galapagos Islands and with the national park, starting up some of the national park areas there. And a program on the border with Columbia because this was when Ecuador was really having issues on the Columbia border. It had become a major area, not just for guerilla activity, but also drug transit stuff. So it was a very interesting portfolio, very tightly managed, and probably more than any... This was my first experience with a totally policy-driven program. A U.S. foreign policy-driven program. And I think this was an emerging trend in USAID, particularly in the nineties where you saw development and diplomacy really coming together in a way that played out through foreign assistance much more tightly. So it was a very interesting experience.

*Q: And once you get there, now as Director, how would you grade the outcome? Bearing in mind, of course, that the resources are much fewer, and the reach is smaller but always with these programs, they can be leveraged with local partners depending on what the local partner can bring.*

ARELLANO: I mean because it was such a strong policy-driven program, from my standpoint I came away with a sense that we had done exactly what we needed to do as USAID at that point. We were no longer focused on just assistance for assistance sake in

a country that had vast oil resources, incredible tourism opportunities, a very strong private sector, etc. Yes, there were marginalized areas. Yes, there were poor areas and yes, we did have fiscal reform activities to try to get again at that issue of equity but for the most part the program was, I think, very, very well-focused on the areas that kind of send a signal that these were areas that we expected the Ecuadorians to now move on. And again as primary trade partner for them and a major ally, and again I go back to where you saw that play out was that almost every area of activity we had we had an interagency working group and we had very strong relationships with the donor community because everybody wanted to send the same message.

*Q: And when you're talking about the donor community, that includes the international organizations and other foreign country donors?*

ARELLANO: Right, exactly. They were very active. It wasn't that large a donor community by then because this was an era in the nineties when countries started to tighten up the number of countries they served. For example, the Brits were pulling out of any number of countries. They had decided to target a much more limited sphere and most donors were doing this. The EU was emerging as a major coordinating body for them and so we were dealing with multilaterals as well but I think there was broad agreement that these were the issues that we would all be focusing on.

*Q: Okay, now remember after the wall goes down, you lose assets that have to go to Eastern Europe but by 1998, a lot of those assets are now leaving Eastern Europe because they'd done what they needed to do. USAID doesn't stay in Eastern Europe for all that long or?*

ARELLANO: Well, this is part of the sad saga of USAID staffing. We did not hire aggressively after 1990 and as part of the balanced budget act, we also had a RIF, a reduction in force. So it wasn't like you had a lot of people out there. We had missions in Africa that weren't even 35 per cent staffed on the U.S. side. By the time the NEP, the new-entry professional program started, which was around 2000, which was basically an attempt to start to get some new hires... You know USAID was close to 1000-1200 officers total worldwide. So there had always been a lot of vacancies so it wasn't like you... Even when the European missions opened, a lot of them opened with contractors and other forms of employees just because there weren't enough officers to go around. But anyway, from Ecuador, after three years I actually... Another one of my children, my third son graduated from high school in Quito and my daughter needed a high school and we had always had a rule of thumb. Other than one of our kids, we tried to keep them in the same high school for three years, not two. I had one, the one who graduated in Ecuador, you could take him anywhere and he would do fine. He adjusted very, very well and the school there was very good. I needed a high school for my daughter and when I looked at the senior management list for when I would have completed four years in Ecuador, there was nothing on it that had a high school. And so we were thinking of coming back to Washington and then at the last minute an opportunity came up in Budapest so we actually moved from Ecuador to Hungary and it was when a lot of the missions in Eastern Europe, as you said, were starting to close. They were looking at



moving into the European Union. It was following the war in Belgrade, Kosovo, Bosnia, so anyway I went into that job in summer of 2001.

*Q: Okay, now Hungary it was a regional center for AID?*

ARELLANO: Yes, my job was the head of the Regional Service Center in Budapest. We had a tiny program in Hungary, but Hungary joined the European Union in 2004 and we worked very closely with Hungarians when I was there but most of the work was Romania, Bulgaria, Serbia, Bosnia, Kosovo, Macedonia, Albania, Croatia.

*Q: Because I worked in Romania and Hungary from 2002-2008 I seem to remember talk about closing the Hungary office?*

ARELLANO: It hadn't closed. They had wanted us to move to Creek Bed, Frankfurt, but we did a cost analysis and the cost what you would pay a driver in Germany... There was just no way and especially because the programs were shrinking dramatically. The other advantage, of course, was that as we were working with the countries on their EU checklist and it wasn't just Hungary, it was the Czech Republic, Slovakia, you name it, Poland, there was a lot that good be done from USAID in Budapest with them on things like setting up their own donor agencies, etc. So there was a comparative advantage. What we proposed was keeping the Budapest office open albeit at a smaller level and it remained open I think until 2014. So it got another decade or so. That was negotiated with M at the State Department on cost-effectiveness.

You know it was tough because I arrived in Hungary a month before, no, I arrived in Hungary, three weeks before 9/11 and coming from Ecuador where we had dealt with terrorism threats in the two years prior, we actually one Christmas... One Christmas I was chargé and we had to shut the embassy there.

*Q: And this was terrorism not from the local population but from other foreign groups that had come in.*

ARELLANO: Undefined foreign groups and in the year before we left which was Christmas 2003-2004, we actually ran the AID mission out of my house at Christmas time. So there had been these kinds of things going on. You didn't know whether it was the Columbians, what was really going on but something was going on. Got to Budapest and then 9/11 happened and I think all of us knew that that was just going to... I was at a mission directors' conference in Bulgaria when it happened and I think you've heard this probably many times. Your career was never going to be the same. I mean in just every single way it was going to change dramatically.

But the Budapest experience went well. It was good for the family in the sense that my daughter was able to graduate from high school there and that was it, the four had graduated so they were on their own. Well, they were either in college or making their way and so a relief. And then in 2004 when I was scheduled to leave Budapest, I got a call from the ambassador in Lima, in Peru, whom I had worked with in... He was the

DCM in Ecuador when I was mission director and he asked me if I would go to Lima as mission director.

So again I left Budapest a year early but we had gotten our daughter through high school and we moved to Peru.

*Q: Okay, just one more thing before you leave Budapest. Much of what you were doing with the objectives in that region was advising, consulting. Did you also have things like society-building or administration of justice, or was it really more I guess helping them get their EU checklist taken care of?*

ARELLANO: Well, I mean the way the regional presence was structured in Budapest was that you basically were the support the East European/Balkan missions. So USAID had mission directors in, as I said, Kosovo, Bosnia, Croatia, and what Budapest did was service those. I did acting director stints. I filled in for the directors in Romania, in other countries as required but what we were was primarily the service coordinator for these missions. I had never done that before and this was, as I said, some people said why are you taking that job? You're not going to have your own programs but it was very interesting, particularly after 9/11, it was a very interesting time to be in that part of the world. There was a lot of work going on, not just in Hungary but in other places, as counterterrorism partners and the embassy in Hungary was very good at making sure that I was included in everything even though we didn't have major assistance to Hungary anymore. You just kind of saw a side of things that I think in some ways prepared you for future jobs.

We did have a couple of very interesting activities. There was a lot of work going on in trafficking in persons by then so that was an area that I had not worked on before and I started to work on. Our ambassador in Hungary was very interested in that. There were other areas related to civil society and parts of the checklist related to financial transparency and other areas that in general were very interesting. Dealing with marginalized populations such as the Roma which the EU really wanted the new-entry countries to focus on because they had serious issues in that regard.

*Q: During that period was your husband with you?*

ARELLANO: Yes, but he was traveling back to Ecuador during that period as well because he was still involved in some of his excavations and he had been working on the border of Colombian and Ecuador in the Amazon and so he was finishing up that but most of the third year, the year that our daughter was graduating, he was with us. He came and went the first couple of years.

*Q: It's kind of funny in the sense that his jobs ended a little later than yours but eventually he caught up.*

ARELLANO: Well, right, exactly. Well it was funny because when we went back to Bolivia, the idea was that he would be able to work there but he still had work to do in

Guatemala so he wound up going... But you know, I think now there is, I can put in a plug here. I just see the focus on spouse employment now as much more generous than it was then. Then it was just kind of okay, you go out and make do and spouses like my husband who were multi-degree professionals with really a lot to really give, it was much more difficult so I think now I'm really pleased at the focus on eligible family member employment and just the sensitivity to this issue, particularly with the new generations. There is an expectation that both will have salaries.

*Q: And it has to be. It just has to be because these days if you're going to recruit talent, that is now part of the expectation.*

ARELLANO: Well, if you're going to bring them back to Washington and expect them to survive in Washington given the cost of living, there is no way you can have only one salary and I think this gets to the whole issue of child care and the cost of everything else. It's become... I know because I play a role. I volunteer when new entry-classes come into USAID now and I know how much of an issue this is and I know here at FSI when I meet with the A-100 classes, it was just really quite something. It is a total game changer.

*Q: All right, so now we're in Lima.*

ARELLANO: Yes, now we're in Lima and again, this is a very exciting program. There is still a great deal of focus on counter-narcotics, but also a time when the country, I think, was really modernizing, negotiating its free-trade agreement. Peru is coming into its own. I think of the things I'm proudest of, the things that I really look back on during the Peru experience as just very positive. The fact that we were able to move forward on a lot of the promotion of local industry and local export-led growth – including in the coca-growing areas. Some of the best alternative development programs were the ones where you were looking at products that are alternatives to growing coca.

*Q: What were a couple of these?*

ARELLANO: In the jungles you had people looking at different kinds of chili peppers and coffee and...

*Q: A lot of times it can be macadamia nuts; it can be cut flowers; it can be all sorts of higher-end, higher-value growth and also new fruits and vegetables.*

ARELLANO: Right and this is what it was. And in the highlands, some of the high-value crops, we had programs that were looking at things like the peppers were marketed, all of them, for the most part, sold to Tabasco, because it's exactly the right climate for the peppers that go into Tabasco sauce but it was those niche markets and then some of the things like artichokes and for the markets in the north or in Europe on the off-season. But the Peruvians have just been incredible at that and looking at it in recent years, I mean the last time I was working there was 2006, but over the last decade their economy, it's slowing a bit now because South America is slowing, but Peruvian economy really has taken off. And it was just a very, very exciting place to be at that time.

Toward the end of my second year there, I was asked to go to Baghdad as mission director and that's not one you said no to, especially in 2006. So I went in and told my ambassador, who was the one that I had worked with in Ecuador, that I was going to do this. I won't tell you what he said. But I packed out and went to Iraq. My husband went to Washington because we didn't want both of us, particularly at that time, in Baghdad and so I went to Baghdad in July of 2006 and was there for the next 14 months because I extended a bit.

I had only worked in the Middle East twice in my career. One time, the World Bank sent me in to evaluate a program in Tunisia. That was in the seventies, late seventies before I joined AID. And then, in my last year in Guatemala, a colleague from USAID who had gone into work in the West Bank and Gaza, asked me if I would go in to help her work on the startup of the democracy program for West Bank and Gaza because she had not worked in that area before and knew that I had done that in Guatemala. That was 1996, just following the Intifada, and before the elections, and I had worked in West Bank and Gaza then. But other than that I had never worked in the Middle East. So I went to Baghdad in 2006 and stayed until late 2007.

*Q: Okay, take a moment to describe the program that you managed. What was the size and what were the general goals?*

ARELLANO: It was about 1.7 billion a year.

*Q: So an order of magnitude larger than you had ever really worked before?*

ARELLANO: Right, exactly. You know it going into a place like that, you're briefed on it. You're told: the Iraq embassy is very interagency, there is a strong focus on the community stabilization component, a very strong community stabilization component.

*Q: Now when you say community stabilization, just briefly describe what that meant.*

ARELLANO: Well, it meant hand-in-glove coordination with the military and State Department through the Provincial Reconstruction Teams (PRTs) and the local presence both in conflict and non-conflict areas. Most of it was small projects, infrastructure projects, community-building activities, etc. and all of it done through contractors.

*Q: And many of them U.S. contractors or to what extent local?*

ARELLANO: No, most of them were U.S. contractors but who sub-granted to local organizations and other entities. From a financial point of view, that was why they set up the SIGIR (Special Inspector General for Iraq Reconstruction) for all assistance not just USAID. It was because we recognized that a lot of assistance money was going in and it needed to be watched carefully. (Note: for more on SIGIR, see this link)

[https://www.google.com/search?q=SIGIR&rlz=1C1CAFB\\_enUS736US736&oq=SIGIR&aqs=chrome..69i57j0l5.2642j0j8&sourceid=chrome&ie=UTF-8](https://www.google.com/search?q=SIGIR&rlz=1C1CAFB_enUS736US736&oq=SIGIR&aqs=chrome..69i57j0l5.2642j0j8&sourceid=chrome&ie=UTF-8)

*Q: And so that was the oversight as opposed to USAID's typical Office of Inspector General.*

ARELLANO: No, we had our own Inspector General as well. You had both, but SIGIR was the congressionally-mandated overarching audit responsibility, and so you had community stabilization and then there were education programs, private sector development programs, civil society programs with the congress, the parliament, institution-building activities in all sectors because so much of the government had been dismantled so rebuilding all sectors. There was also work in major infrastructure activities, a lot of which was done by the Army Corps of Engineers and others so it was soup to nuts. Basically it was trying to rebuild a country that needed rebuilding after what had been, and was still, in conflict. I mean this was 2006. It coincided with the planning for the surge, and the early days of the movement out of the surge. So I was working with some relatively high-powered individuals who had very, very strong thoughts about what was going to happen.

*Q: How effective were the PRTs in general? How would you characterize them?*

ARELLANO: A lot has been written about this, Mark, so I'm not saying anything you don't know, I think it depended on the place and depended on the local partnership. In some places you had very, very strong local partners. In some places, for example, like in Anbar, it depended as much on the strength of AID and the embassy's partnership as it depended on our military's partnership. Very often, what you had was a lead agency. For example, in Basra, which was the British area, depending on how the Brits were doing, we had a PRT, we had an office in Basra but the Brits were in the lead. So a lot of that design and development was carried out by them or through a coordination mechanism which they led. They depended on us for a lot of the work that needed to get done just because we had contractors that were willing to go out and do the work.

You know, some of the more classic development work was actually going on in Kurdistan with the Kurds, not just in Erbil but in Sulaymaniyah and up toward the border with Turkey. So it was a wide variety of situations. Some of the more successful relationships were in those areas. We had a very good relationship with people in Mosul. At the time the representative there, the U.S. representative from the State Department was very, very good. Inside Baghdad, some very, very good people under tremendously difficult circumstances. So as I said, it varied widely.

The relationships with the government kind of waxed and waned. When Saddam was actually executed there were causes of friction between the U.S. and the Iraqis at the time. There was no Status of Forces Agreement yet. There was hope that a SOFA would get negotiated. By the time I left I think it was becoming clear that it might not and that was when we started looking at the end of the surge and the fact that things might go in a different direction in terms of military presence. Also things were not going well in Afghanistan and so the Marines needed to adjust their presence... It was just a very dynamic time where you throw a lot of resources at something and suddenly the strategic

focus would shift depending on the conflict. There was just a need. I mean I spent a lot of my time trying to read the tea leaves on what the interagency wanted us to do and expected of us. I spent a lot of time meeting with absolutely outstanding military colleagues who were... It was just so important to know what their reading of the situation was because you were in a country that had been a middle-class country with its own internal infrastructure. People were just used to a standard of living that had been interrupted. So the predictability of what the population was going to expect was just not there. So, by the end of tour in Iraq I had been assigned to Egypt as mission director.

*Q: Let me just ask one last question about Baghdad before you leave. What role, if any, did USAID Washington play in how you did your job?*

ARELLANO: You know it's interesting. I had a great backstopping office and the people were just terrific. They let me have regular conversations with the leadership of the agency because it was such a high-profile time for that. They saw me on the screen during some of the interagency discussions late at night or early in the morning and just kind of knew that if I was sitting there with other embassy leadership, what I was saying was pretty much what was acceptable to the country team and the civil-military team at that point in time given how difficult the situation was.

Baghdad was really very violent at that time and things were not getting better. So I think USAID Washington trusted our judgment because in some ways we knew how far we could push and how much we could push. Again, the interagency piece in Washington, there was just a lot of it. There was just a lot of work that went into that. Always led by the ambassador. We had our regular, very early morning meetings every day and we'd get the message from the night before from early in the morning about... In some ways I think all of us wished there had been on the civilian side, a little bit more on the interagency side, a little bit more kind of letting us test the waters particularly on some of the major programs where it was very clear that progress was going to be either slow if not impossible. Sometimes the view from afar was, you kind of had to, shake your head and hope for the best but I think those things always happen. When I worked later in Afghanistan, I think it was exactly the same way. It's very difficult to understand or to really understand how tough it is to move things forward with the government that in some ways had become very, very self-protective and risk-averse. The sectarian tensions were just coming out everywhere and a lot of what was kind of laying the seeds for what we now have was happening in other parts of the country. So, again it was another fascinating experience.

*Q: Were there AID officers in the PRTs?*

ARELLANO: Yes, there were. A target had been set for that and a target had been set for raising the number of people at the USAID mission for the surge. I said I would not meet that target because I just could not. I mean we already saw the risk; the AID building had been attacked. We had things falling on the roof of the building and we'd had our local staff, we had four local staff members killed either at checkpoints or leaving their homes in the morning, some of them were sectarian tensions but people knew who they worked

for. So what we agreed to do though was meet the target for embedded foreign service officers which allowed us to recruit really, really strong individuals particularly for the interagency locations that really required leadership be it Anbar, be it some of the areas by Baghdad, Diyala, areas to the south in the Sunni Triangle. I mean I think we were able to... Because AID just had so few officers by then. By the end of... By the time I was leaving Baghdad at the end of George W. Bush administration, AID was down to under 1,000 foreign service officers worldwide. So you were going to put x number in Baghdad? Almost half of them? There was just no way. So what we agreed was that we would meet that strategic deployment target and since the de-surgings started so soon, actually it worked better for the mission because it was crystal clear that moving into the new embassy when AID had to close down its compound, it was probably never to double or triple the size of the AID mission if you were just going to very quickly have to shrink it.

*Q: Okay, I was most curious about was your experience on the ground and what you needed to do in order to fulfill the goals that had been set for you.*

ARELLANO: Right, again just to go back to pushing back when you need to push back, never promising what you can't deliver, what your experience has shown you, you can't deliver. I mean some of the things that people would say, you know you can do this and I would say, no, you can't do this anywhere in the world even with the most enabling local environment. Doing it in this environment... So I think that issue of really not committing to what you're not going to be able to deliver, never over-promising because one of the things that I have had to pick up the pieces on over my career, is when people have over-promised and then you walk into a situation that you just can't fulfill. So in development, the kind of development, quick fix and do it and get out and hope for the best, I mean anybody can do that. But doing it in a way that really commits the local population to keeping it going and sticking with you over the long haul...

After Iraq I went on to Egypt. It was 2007 and I was there during the change in administration from Bush to Obama. I was there for President Obama's Cairo speech in 2009, which was one of his first major speeches of his administration, and I remained there right up until before the Arab Spring. I left in late summer of 2010 to come back to Washington. (To see the text of President Obama's Cairo Speech, follow this link) <https://obamawhitehouse.archives.gov/the-press-office/remarks-president-cairo-university-6-04-09>

*Q: I imagine USAID was working on economic growth to help increase employment, but at this point in our relationship with Egypt, was that true?*

ARELLANO: Well, when I got there the program I think now this is a major issue because of the downturn in tourism and just the downturn in the economy overall. You know some of the impact of what has happened following the Arab Spring. There was a major economic focus within the portfolio. A lot of it was policy-based just because some much of the economy is either state-controlled or actually controlled by the military. So kind of state-owned, military things. I don't know what percentage of the land in the

country is owned by the military. So there was a lot of trying to straighten that out. A lot of working with upcoming modernizing entrepreneurs and business people.

So the portfolio was kind of split between economic development, social development in the area of education reform and health, and democracy work. We had a major civil society earmark which, of course, the Egyptians were not happy about, but it was very high profile with congress. And justice. A lot of work with the justice sector. So it was pretty well evenly-divided among the economic side and the civil society building side. It was still a very large portfolio even though the funds had come down in recent years. It came right out of the Camp David accords which had set x amount for the military assistance and x amount for development assistance. And actually there had been a glide path established in agreement with the Egyptians to reduce the civilian side as long as nobody touched the military side. So that was the agreement.

When I got there total was 450 million, I believe but it was moving down toward 250 and eventually the idea was to phase it out completely but it was actually going to stay, level off at 250 for a while.

*Q: Did the private sector that was trying to build out feel that it could or was it telling you, in effect, "We're in a mafia economy and there's only so far we can go?"*

ARELLANO: No, they would never say that. We would say that but they wouldn't. There were very close relationships within the upper strata, the oligarchy, and just a lot of frustration I think but on the other hand, there were just a large group of wealthy people. A lot of them very socially conscious and wanted to do right by the country, very loyal to the country, but structurally the country needed, like many countries in the Middle East, structurally it was just not going to move in the right direction without major policy change. You had some modernizing under the leadership of one of Mubarak's sons. You had a modernizing group of ministers that kind of had a mini-cabinet that worked on economic issues and so we worked a lot with that group. And it was a daily fight. Again, intensely interagency with the embassy.

*Q: And you served there...?*

ARELLANO: 2007 to 2010. The Arab Spring was January, 2011. But it was clear that something was in the works even when I was leaving. Because a lot of our work was in upper Egypt and in upper Egypt the Muslim Brotherhood was extremely strong and so we would go to inaugurations and you could just feel it. People would say, the director of the school, or the health poster, I mean it was in Alexandria as well. There were areas, some of the marginal urban areas of Cairo. Mubarak had been in power for a long time, a long time and there were just a lot of tensions over the push for democracy that started with a bipartisan effort and so we had this civil society earmark which was the bane of existence of the embassy and the bane of existence of several of our key Egyptian interlocutors and just kind of making that work and sending the signal that if the U.S. was going to continue to fund the country at the level it had funded be it on the military or the civilian



side, there needed to be an understanding that it wasn't just about them signing on to protect the Gaza border, it was much broader than that.

*Q: And you didn't get much of a feeling that the Egyptians at that point were really ready to make significant changes under Mubarak?*

ARELLANO: No, it was in some ways we were starting to see a lot more push back particularly for the American NGOs that were funded through the earmark. It was starting to happen and then, of course, it all blew up during the Arab Spring. I don't want to say blew up, it's the wrong term, but it just really got much more complicated during the Arab Spring. So I mean you just knew that something was brewing and the president's Cairo speech which was so very articulate on the role of civil society and the need to open up to youth and listen to them, and realize that they were going to be part of, or needed to be part of a very different world and feel empowered. I mean, it sent some very, very strong messages that the Egyptians I don't think the government was comfortable with. The Egyptian people, yeah, it really echoed with the Egyptian people, and I actually, right after his speech, at the Cairo University where he had given the speech, I organized round table with then-Secretary Clinton and she had a round table with civil society organizations and she heard that even though the civil society organizations had had to be signed off on by the government. She heard about this emerging climate that everybody was very concerned about. This was 2009 and then the next year I returned to Washington.

*Q: What position did you take there?*

ARELLANO: Yes, I went back to Washington to be counselor at USAID. And it was right at the time that the Quadrennial Diplomacy and Development Review (QDDR) was being written for the first time. I became one of the primary interlocutors for USAID on the QDDR. I was there 2010-2012, worked on the QDDR and any number of other things and then my ambassador in Iraq asked me if I would go into Afghanistan. (To see the QDDR, follow this link) <https://www.state.gov/s/dmr/qddr/>

*Q: Before you go to Afghanistan, just one question, as you look back on the QDDR process, since it was the very first time the Department undertook such an effort, what were your impressions? If I understand right, it's meant to be more than simply a strategic document; it's meant to be a statement of where we are going to put assets.*

ARELLANO: Yeah. I think initially we thought it was presented as something that was, had some very lofty goals in terms of targeting, etc. As I look back, because more than anything, it was a process and a very long process. For instance, it was much longer than any of us thought it was going to be. But as I look back, what I see is one of the major outcomes is that it served more of a management tool and a way of approaching our work together. You know some people might say, okay, well State got more interested in health and set up the health coordinator or something like that.

You know, having looked back in terms of my career from where it was when I started and how I say the interagency evolved during my career, I think the QDDR captured a lot of this new way of working and really made its leaders, both State and AID, and other interagency leadership, sort of collectively accountable both for working well with each other but also for what we were going to achieve together. So I think the QDDR captured that and I think in terms of my looking back on it, the document itself again was probably too long, and it has a lot of specifics on the inside but I think you probably get broader brush the older you get and I think that was really was one of the positive outcomes was that it documented the fact that there was this expectation going forward both on State's side and AID's side that we were going to be judged; we were going to be assessed on what the U.S. government was able to do collectively.

*Q: Just one very quick anecdote on the QDDR from my experience. I was working as Public Affairs Officer in Embassy San Jose, Costa Rica, and once the QDDR was out, it was not as long as we feared.*

ARELLANO: Because I was involved in revising it and revising drafts and discussing them and it was seriously edited back.

*Q: From a practical point of view, in the field, we were able to use it because we could go to the page we needed and quote it and say we're doing English language programs because they have been cited in the QDDR as one of the top things you're supposed to be doing. We're not just teaching English because we like to. Here's the reason. If you want to know why we're asking for another \$50,000 or another \$100,000 for this program, here it is.*

ARELLANO: Yeah, and I think on AID's side, you're never happy when other people enter your playground and in some ways development for so many years, I think right up until 1990, had really been AID's province. I mean we'd seen it changing before then, particularly in, for example, I saw it in Latin America as the narcotics issues emerged and we realized no, it's not just a simple issue of agricultural substitution. People are growing stuff they shouldn't grow. So that made it much more complicated. But I think we saw it emerging in some of the cross-border crime issues as well. We saw that other parts of the U.S. government were starting to invade the development space, and I don't think you're ever happy when you realize that it's not yours alone anymore. But I also think in some ways what I saw for USAID was, because our human resource base was still relatively small even with the increase under the Development Leadership Initiative (DLI) program where you doubled the number of USAID officers, which was also a QDDR goal, even with that you can't cover all the need in the world. In some ways, sharing the space is a positive thing. A lot of hardcore development types, I guess I should be one of them because I started out that way, might not like this direction of greater interagency involvement. But I am of the opinion that a lot of good things can come out of working together and pushing the same rock up the hill.

*Q: It was the same for me in public diplomacy because obviously when USIA was integrated, you lost a lot of assets. It was a rationalization and that meant fewer people.*

*By the time I got to be a public diplomacy officer, head of a section of 15 people, the amount of things we needed to cover was beyond our ability, and I was perfectly happy if other people wanted to cover something. They still would have to come through us because you couldn't just publish anything you wanted, but if there were other people who wanted to cover something and report to us or take on a small project and just report back periodically so we know what's going on, great.*

ARELLANO: Well and it also sends the right message. I mean in a program like the program in Egypt where you needed to send... I mean this money was not development assistance money per se, it was economic support funds, it was ESF originally. There were a couple of other pockets of it but you were trying to send a policy message. You do that as a government; you don't this as one agency. Now, part of the problem with our Congress, and I'm not telling you anything you don't know here, is that when agencies are earmarked, and you approach your host government with the earmark requirement, the host government says, "Oh, that's just USAID talking. It isn't really the U.S. government, it's just one agency. I saw this in Egypt. When they didn't like what USAID was asking, or its approach, the Egyptian interlocutors would pick and choose the messaging. They would pick and choose who they criticized and if USAID could be singled out as the bad guy, they would do it because they didn't want to alienate DOD or they didn't want to alienate Department of State, but they were wrong. Our Congress was sending a message, they thought, for the entire U.S. government but the Egyptians were able to manipulate that. This is where I, as a USAID employee, wished that the overall interagency worked better to make it clear when something like this is the case. You go in with DOD on one arm, and State Department on the other arm, and the three of you go in and say no, this message is coming from our government. We don't do that as well as we should. And I think we're doing it better as of today, and I can tell you in Iraq and Afghanistan, we never let that kind of mixed message happen. But in a place like Egypt, we allowed that to happen and I think if we had realized that maybe 20 years ago, it would have been to our advantage 20 years ago to have sent a more coherent message. We let that kind of bifurcation go on for too long. But that's hindsight.

*Q: And there are so many players in the game that even back in Washington, some may have been perfectly happy to let that happen.*

ARELLANO: Oh yeah, it's very complicated back here and the pressures from key stakeholders because this is what you saw in Egypt. You would meet with them. They would come to post. They'd sit down for dinner with you. They'd call you on the phone from DC and all you could do was send them to talk to the people that had been the previous phone call that had been telling you to take something in a different direction.

*Q: So you completed Egypt and you went back to be the counselor and then you completed that in 2012.*

ARELLANO: Yeah, 2012 and then as I said I was asked to go into Afghanistan on detail to State Department. It was Ambassador Ryan Crocker who asked. I had worked with him in Iraq and he was the one who approached me when I was Counselor at USAID to

ask me if I would be willing to do this. It was when he was going out as ambassador to Afghanistan and he knew he would have to have somebody coming in after my predecessor. And the way it was described to me the job was really a mixture of the military rebuilding infrastructure, nation-building, if you will, peace after that many years of conflict. And by the time I would get there, in 2012, it had been more than a decade since the U.S. had gone in, combined with policy on the government side, economic policy -- be it macro, micro, regulatory, etc. -- combined with the desire to build a private sector which the Afghans really wanted to do. They're tremendously entrepreneurial at all levels and so that was something they had approached the U.S. on. This happened before I got there. So it was a combination of things.

So I said yes and went into that role. It was one of the ambassadorial positions, not Senate-confirmed, but it was personal rank of ambassador, one of the five in the front office as the Coordinator for Economic Affairs and Development Assistance under the overall bilateral ambassador, Ryan Crocker.

*Q: Could you describe how the U.S. embassy front office organized work in Afghanistan while you were there. It is a unique organization in my experience.*

ARELLANO: Yeah, I mean it was, because it was so massive, there were, for example, in my portfolio, there were nine agencies, not just USAID, it was treasury; it was agriculture; it was CDC, you name it. Working on the assistance side and economic affairs. So what you had, for example, the ECON section of the embassy reported through me. So everybody worked on economic affairs or development assistance in my area of responsibility. I think because both the ambassador and his deputy, also an ambassador, not a DCM, that you had a layering of ambassadorial level expertise and so there was a division of responsibility that had to be very tightly coordinated.

We met every single morning without fail. There was a senior team, then there was a country team and then I met with my agencies. We followed this kind of cascading management structure because it was so complicated. And then again there was the surge. I was there for the surge and then the rapid de-escalation, the start of the rapid return of surge assets. Just the shifting sands that happen in places like this required more focus than usual mission director requirements. So it was a unique situation.

What I found interesting from a development perspective was how similar Afghanistan was to other places I'd worked. When I flew in, it reminded me so much of Bolivia when I arrived in the early seventies. It was very similar plus or minus several percentage points of development because the country really had suffered so greatly for 30 years, very mountainous, very fragmented, isolated, incredibly under-developed, the role of women, you name it, every development challenge out there. But it was a really interesting responsibility to have.

*Q: Now roughly what size budget would you say you were overseeing overall with all of the units?*

ARELLANO: Direct oversight was close to two billion dollars a year. Coordinating with our military and with the NATO partners because one of the pieces of my portfolio was the regional PRT piece which was the local presence in the provinces, the Provincial Reconstruction Teams. So that was one of the pieces. From there it jumped around quite a bit but that was not as much direct oversight as just making sure that we were pulling in the same direction. And so those were the primary pieces of the job. But overall, the tone of the job, not so much the content, but the tone was that you would have this surge in NATO presence. It had been matched by a surge in civilian presence; this is known to everybody. And there had been a timeline drawn out for that surge that by the time I got there, the Obama Administration, President Obama and his national security team, were seriously rethinking that timeline. A lot of this had to do with the inability to sign a Status of Forces Agreement with President Karzai.

So, a fair percentage of my job was taken up trying to make adjustments that were coming at us fairly regularly related to what the surge and the de-surge, if you will, was going to look like.

*Q: Now, what were the top development issues that you pushed forward during your time there?*

ARELLANO: I think the development piece was very Kabul-driven, it was trying to support the ministries in the services and the work they were supposed to deliver. So it was basically institution-building at the national government level and how that flowed to the provinces. I'm sure you're heard this before, people with a long history in development like myself and who had been in countries of a similar level of underdevelopment as Afghanistan 40 years earlier... I got to Afghanistan and I was really surprised at the toll that 30 years of war had taken. I did not know the country 30 years before. I heard about it when I was working with the UN and the World Bank system. I knew it was a model, in many cases, for many remote, rural agricultural development programs. It had some very interesting programs in the 1970s that were being looked at worldwide because of its strong community and tribal infrastructure. But when I got there, it was clear that this was a country that had basically gone nowhere while the rest of the world had moved forward.

I mean you look at the development indicators for other parts of the world, even the least developed countries in the world, and they had moved forward in a way that Afghanistan had not. Throughout my time there I regularly had to calibrate based on the fact that 30 years had kept Afghanistan from modernizing.

But everybody working there also knew that this was a moment when they had the attention of the world, particularly after the U.S. was transitioning out of Iraq and moving back into Afghanistan with the resurgence of the Taliban in 2008-2009. I guess everyone knew that the level of attention and money and international presence might not continue for the indefinite future. And the Afghans are smart enough to know, particularly specific people who were in leadership positions at the time, that this take decades to achieve and basically they were building a government, building a society, building a development

culture, building an economic culture, and that simply was going to take decades but they might not have that funding and that attention for much longer. So there was very much that urgency. A lot of this was captured in a way a month after I got there. That's when I went to Tokyo for an international donors conference, a seminal event, and a follow-up of sorts to an earlier one that took place in Munich. It was seminal for the very high-level of participation. The secretary of state was there. Many others were there and President Karzai was there, but Afghanistan's presentations were basically led by the minister of finance.

To set the timeline, this was 2012. But the bottom line is that all of these things had to begin at the same time. Everybody knew that the absorptive capacity of the government to do all this at the same time was a pipedream in many ways. No country in the world has been able to do this level of rebuilding with that level of money when they are starting from such a low baseline. But there was, I think, this realization, and I believe it continues right up until now, the question of are you asking a country like Afghanistan to do too much at once? You know, this is a fair amount of hindsight but it isn't hindsight. When you come from countries that looked a lot like this at a point in their history, usually they had the luxury to do things in a more gradual fashion. There was tremendous pressure to walk and chew gum and reach the sky at the same time.

*Q: When you arrived, was most of the country at that point under NATO control or were there key areas that were still considered Taliban and really out of reach?*

ARELLANO: There were key areas of continued Taliban influence. They were well-known. They've been that way for a long time. But for the most part it was trending in the right direction and as a result of that a number of the NATO countries, and this I think has to do with political will on the part of some of these countries, started to pull back and pull out. Spain left ahead of time. France left ahead of schedule. You had these either in response to their internal elections in their countries or other things. But I think part of that was driven by a sense that it also wasn't that necessary for them to be there anymore. They left their assistance programs behind but they removed their troops so there was a trend in that direction. I think at the level of NATO, at the level of NATO leadership, they were less sanguine. They really felt they needed, particularly the negotiation with the Afghan government and the building of a defense capability that was at the level that would be needed knowing how tenacious the insurgency is.

*Q: Now you go to Tokyo. I imagine agreements are made on who will take on which sectors of development?*

ARELLANO: Or which geographic areas.

*Q: So when you returned, which are the key areas that you are going to pay attention to?*

ARELLANO: Well, I mean, the U.S. because of the size of our assistance program, it dwarfed pretty much everybody else with the exception of the World Bank which had a very, very large program. It was one of its largest programs in the world and its largest

mission, one of its largest missions in the world if not its largest at the time. And so we were pretty much in every area. It wasn't a sector by sector division so much as a... within the ministries, you would divide who was going to do what and for each ministry, for each sector, there were coordination meetings and so you know the USAID or the Department of Commerce or the Department of Agriculture team that was working with the respective ministry, would spend a lot of their time on donor coordination. Because of the way budgets are made in capitals, it's not like you have total freedom to decide whether you're going to do agriculture or not. Most of these budgets come already with a sector attached to them. So you have to make it work.

*Q: Then in the period of time you were there, who were your main Afghan counterparts, colleagues who you worked with on the program?*

ARELLANO: I think starting at the most important was the minister of finance. He was the convoker. He had been charged by the president and by the cabinet as the person who coordinated all donor assistance. It was done through the ministry of finance. In many countries there is a ministry of planning and coordination. I think because of the complexity, but also because of the individual, Omar Zakhilwal who was the minister of finance, very talented, completely fluent in English, was able to engage with all of the governors. Had spent a fair amount of time outside of the country. He was given that responsibility so he was at least once a week, he would call all donors together and then I had very regular meetings with him on some of our more sensitive issues. I was seeing him at least once a week, or twice or three times a week.

Also the minister of mining. It was a time when the Ministry of Mines was doing of a lot of reformulation of the way it tendered mineral resources and the U.S. government and other governments were also supporting them, particularly the World Bank with us the way this was done. So we were working very, very closely with them. The minister of trade and commerce was somebody I saw very, very regularly. The minister of agriculture, I mean the list is long. But if not daily, for the most part every day, if not twice a day, then three times a day, I was going to meet a government official to talk about some very high-profile issue we had with our funding. Because it isn't that our funding comes with no expectations attached to it as you know.

*Q: How would you describe the Afghan economy in comparison with other developing economies in the sense that since you're dealing with the finance minister, the ability of the economy to function. In other words, is it sufficiently monetized? Can you get letters of credit for trade? Are there enough banks? Do the banks provide the basic commercial services needed? You know these sort of basic things that will allow a market economy to develop.*

ARELLANO: On all that you mentioned, there were very, very severe deficiencies. The informal economy, which is typical of countries at the level of underdevelopment of Afghanistan, the informal economy, was much stronger than the formal economy. So working in banking sector regulation, working on formalizing it but not discouraging informality when you have nothing to put in its place. In other words, when you're not

going to build a Ford Motor Company from one day to the next, how do you make sure that people are able to function and get their licenses to function. If they need to pay taxes, pay taxes even if it's getting financing both at the central level but also at the decentralized level.

What characterized the economy like many, many countries in the world today was differentiated progress. Some parts of the country, depending on how remote they were, how close they were to a country that was more-developed than themselves, for example the border with Iran was one thing. Very much linked to Iran both for employment and in capital flows and you name it, goods, services. The mountainous border with Pakistan which is where many of the problems resided, the northern border with Uzbekistan, Tajikistan, was a very, very different situation so all of these and then Kabul. So basically what you have is one large city in the middle and then provinces that ring around the border with the secondary cities that were less or more developed depending on their ability to draw services and capital from their neighbors.

*Q: So in such a situation, what would be the first things you do to I guess create the basic elements of a functioning economy? What were you looking for in the time you were there?*

ARELLANO: A lot of it had started before I arrived. The U.S. had been there for over a decade as I said and there had been a lot of community focus in the work that was done. So in addition to working with the ministries, which is another issue in most countries in that it is very politically-driven, very personality-driven, you knocked on wood that the good people in ministries last long enough for them to really have an impact, the desired impact, etc., but a lot of the focus was provincial and community level at that time. A lot of this, because of the fact that the troop presence was so essential as an enabling environment within the provinces, but also because that was where the need was.

In Kabul, excuse the pun, you had to cobble together an economy somehow. You had this massive NATO presence. You had this massive donor international presence. People could set up businesses, sell things to people. That was why Kabul grew so much; so many people had flowed into Kabul from the provinces. But the issue really was in the outlying areas and so there the question was how you could grow these niche economies many of which had existed for a long time prior to anybody even arriving. Very talented, very entrepreneurial people. And how you could... The major issue, one of the major issues at that decentralized level, was how you could mitigate the corruption that had become over the years of conflict and just because of the nature of society, endemic. And make sure that if a dollar goes into province A, 90% of it doesn't wind up in one guy's pocket because he's connected to somebody higher up. That part of it, I think, was probably as far as I'm concerned from a development perspective, and the conflict aside, the single greatest threat and I think a lot of what has happened since I left is just being unable to get a handle on this. And this we see all over the world, not just in Afghanistan. But in Afghanistan, given the level of resources that flowed in, the level of attention they got for that very, very compact period of time, it was almost an accident waiting to happen.



*Q: So you're there and you know there's going to be the surge and then the kind of drop-off at the end of the surge...*

ARELLANO: Drop off that was moved up significantly.

*Q: Were there development goals that could be sustainable, that you could work on while you were there?*

ARELLANO: Afghanistan, and our development goals there, do not fit easily into the typical way I might answer that question. I mean I think there were again it goes back to having to do so many things at once. In an ideal world you could say, okay we will build institutions. We will build the financial capability of each of the ministries. We will build mid-level management. These are the kinds of things you do in other countries. If you need a free-trade agreement, you target that free-trade agreement. Here there were just so many needs across the board. There was so much pressure and I think our own pressure on ourselves to do something about the issue of inclusion particularly related to women. So you had to focus on that. It's not like you could say, okay, we're only going to deal with the male authority structure of this country. We are going to deal with the social issue that's simply... and an economic issue, frankly. An issue of every sort. So there was a lot of focus on working, making sure that the services that were being provided, also were being provided to women be it in health, be it in education, be it in credit, be it in business development, etc.

So a lot of time and effort, and this was the ambassador, it was everybody. It was the military. Everybody recognized that one of the significant development challenges the country had was the issue that half or more of the population was deliberately and totally excluded from everything as a result of the Taliban regime. And correcting that had started again long before I got there but it was one thing that you just could not put aside. At another level, I think my experience had taught me that you needed to let the Afghans start to stumble on their own a bit more. But then again, I had my doubts.

For example. You knew that the surge was going to end and that U.S. troops, in the not-too-distant future, would leave Afghanistan. Nevertheless, there was a relatively positive attitude in the ministry of defense even though you did not have one Afghan there who knew how to turn on the personal computers on their desks. It was just astounding to me, having worked for so many years in countries where you were building up internal capability, realizing how long it takes to build that internal capability and knowing that there will very soon come a day when you will not be there to make sure people get paid and get uniformed and get equipped.

*Q: It goes down to that level.*

ARELLANO: That level. Total dependency. I mean the level of dependency... In some of the ministries, that was not the case. You had ministries that were much further along in terms of their abilities so I would say from my standpoint, given my experience, and

this for me was not just a down-in-the-weeds, this was a policy issue. They had to start to do this on their own. Even if it failed. Even if we didn't like what we saw, we were going to have to turnkey some things... This was also because other U.S. agencies were starting to pull out. On a daily basis I was meeting with U.S. government agencies that simply no longer felt they could be there because the security panorama was going to shift dramatically as NATO withdrew, etc. So what were you doing, you're going to march them right off the cliff because until the moment you jumped off that cliff, they were dependent on you to give them the parachute so anyway that was one of the things.

And the other thing within that, was their ability at a central level to link down to the provinces and build the capacity at the provincial level to link down to the communities. I would say those three things. Between the issue of women as a central development constraint for the country, diminishing the dependency on this massive, in my 40 years, I had never seen that level of dependency. On Iraq, Iraq was a middle-class country, middle-income, well-off, well-educated. Their ministries never depending on the U.S. to the extent that they did in Afghanistan. It was really a severe level of dependency and then this issue of their ability to really link out to a country that is very remote and disconnected from its hinterland.

*Q: Did they at least have the telephone connections to reach from Kabul to the provinces in real time?*

ARELLANO: Oh yeah. The country is very connected in terms of the telephone grid. It's one of the things that really has functioned. You know when you meet with the American Chamber of Commerce or the private sector there, half of the people in the room were working in the IT area and they really had jumped on that very early. And a lot of that again was post-Taliban, linking to the NATO presence.

*Q: And now to what extent were you able to go out to PRTs? Was there enough security for you to visit them to your satisfaction?*

ARELLANO: I mean it's never enough if you're used to pretty much going out whenever you want and see whatever you want and whatever you need to see. But I think because of the position I was in, I got out. In Kabul I was out all the time. I was at events; I gave speeches. I talked to people; I met with groups. They came into the embassy. So it was a very intense interaction in Kabul. The provinces you had to fly. You would have to fly anywhere. There were very few places you could drive to.

*Q: And that was because of security?*

ARELLANO: And because of roads. The infrastructure just isn't there. But pretty much I got out to everywhere I... I was actually able to travel... I was charged with traveling to a number of the provinces as they transitioned out of NATO, they turned the defense responsibility over to the Afghan Army, and so I was able to go to a number of those events and then remained. That part was very interesting and as I said, that accelerated while I was there. Provinces that were supposed to be transitioned much later were

suddenly transitioning so you saw a very interesting challenge and one that both the tribal leaders and the provincial leaders talked about very openly. They said, okay, we're transitioning but don't abandon us kind of thing. In sum, the accelerated, rigid timeline for the troop drawdown coupled with unrealistic expectations on the time it would take for the Afghans to assume full responsibility for governance and security, led to serious tensions with Karzai. And to complicate matters even further, an often unspoken issue for leaders of underdeveloped countries -- the importance of pride and saving face when under public scrutiny -- was seriously underestimated. The results were heightened tensions in the bilateral relationship at a very critical moment.

*Q: Well speaking of abandonment, I don't mean to be negative but within even the last few months reading in the Washington Post about the new Taliban offensives into the country and that some of the units ran out of bullets, ran out of uniforms. Were in essence not being supplied adequately. This was a problem I think you saw even back in 2012-2013 and how do we go about fixing that or is that where they need to trip a bit and find their way?*

ARELLANO: Well I mean ideally they would have tripped sooner. I mean ideally this would have been more phased. Because the withdrawal was accelerated and what was supposed to be a five-year timeline for the surge... I mean I had this chart on the wall of my office and it was a five-year timeline. When I got there it was a five-year timeline of sustaining a certain level of troop presence and PRT presence, then phasing down and eventually just phasing out. It basically became a year and a half to accomplish the same. So that meant not just at the PRT level but in Kabul, you were not going to have the prioritization of where the troops were going to be. It was not going to be sitting at a desk in the ministry the way you could during the surge when you had enough presence to have people, particularly in the Ministry of Defense, that was no longer going to be possible.

And I think there was a real question as to how much the Afghans wanted it and then the election came after I departed but you know Karzai was starting to get extremely difficult to deal with. He was under tremendous pressure from his very own to pull things in a different direction. I think a lot of this had to do with the fact that we were sending signals that we wanted them to step up much more quickly than he knew the country was not capable of stepping up given the incredible level of underdevelopment. I can't stress that enough. So I think all of that built into a very tense relationship. By the time I left that tension was really palpable.

*Q: Although AID had its own auditors, it also had to deal with the Special Inspector General for Afghanistan Reconstruction. How did that work? (For a fuller description of the Special Inspector General for Afghan Reconstructions, see the following link)*  
<https://www.sigar.mil/>

ARELLANO: SIGAR, like its counterpart in Iraq, SIGIR, had been established by Congress as an independent, interagency oversight. So one of the things my office did do was coordinate with SIGAR, we were the coordinating entity for the audits. When I

arrived there were audits that were in process primarily. Audits take a very long time. We were in the process of going over what was actually going to go into the final report because of the fact that very often there are so many misunderstandings in a situation like that as to what actually is auditable and what is a problem... You can state it but it's going to be very difficult to place the blame on any given agency. I know this from years of dealing with AID's own inspector general. You go from a report that's 90 pages down to a report that's in the end maybe 20 pages with five recommendations because the rest of it is either out of your span of control or dependent upon another agency or a situation that just went south. So it was dealing with that. And it was difficult because unlike SIGIR which had had a very different approach to profile, SIGAR took a much higher profile approach and tended to go public much sooner. As I compare SIGIR and SIGAR which I've been able to do, I've worked with both of them...there is an issue of profile.

The approach was very, very different for the two individuals, the head of SIGIR and the head of SIGAR. And it took me some adjusting because I had not dealt with almost trial by the press which you got with SIGAR where before findings really were fully vetted, and it wasn't just for the embassy, DOD and others were just very, very concerned by that approach because usually the way auditors approach their work is to put down their concerns, then work with a given agency to go back and forth on what information they need to accept the fact that okay, this concern we understand and we're going to remove it from the report. In this case, it was almost like the initial report was the final conclusion and it was spoken about very publicly and then you would work back to a report that might be much more moderate but the message was already out there so it was again, very different from SIGIR.

With SIGIR, I will say this but I would recommend that... The level of experience was just night and day. SIGIR had 50 extremely experienced auditors. This group... I dealt with auditors who were straight out of the university. This was their first-ever audit experience, in Afghanistan, during the surge, so it was just not... I mean I would not have approached... SIGIR published a very interesting book I think under Stuart Bone's leadership afterward on lessons learned and I think it is such an instructive document because it was constructive. Because the relationship was constructive. I don't know what constructive will come out of SIGAR. We'll see. I was constantly astounded by SIGAR's lack of understanding, experience with, or interest in, what it took to work on the security and development challenges in environments like Afghanistan."

*Q: As you've had experience with trying to reduce the growth of opium poppies and its processing into heroin, I wonder if that issue was part of your portfolio.*

ARELLANO: The heyday of that really preceded me. I think between 2005-2010 there was a major focus on crop substitution. Some of that was continuing but it had not, it wasn't as front and center for Department of Agriculture and for USAID as it had been before. Ask the military. Under the surge, it took a very new direction. I think they were looking... I spent much more of my time on the issue of money laundering and capital flows and capital markets like the hawalas along the border with Pakistan which benefited from the flow. There'd also been a moderate degree of success, which is no

longer the case as I understand it because the increases, the crop output is increasing the heroin output out of Afghanistan is increasing now, but by the time I got there, there was much more of a focus on capital markets, money-laundering, illegal financial transactions, trafficking, those sorts of things and there were interagency groups working specifically on this.

*Q: Was heroin actually manufactured inside Afghanistan? My impression was that it sent precursors out and the manufacturing was elsewhere.*

ARELLANO: I would say 50-50, maybe even more was actually processed in Afghanistan. In Latin America, definitely. Having worked in the Andes, you had this step process where things would go from here to here to here because transportation was difficult. In Afghanistan, most of what was leaving the country, I believe was already very pure heroin. It would get doctored up and redistributed but what was leaving the country was already pretty much in final form.

And it was distributed internally also. They had tremendous consumption problems internally and they were not consuming like you had in the Andes. When it was at its height, it was really a very, very under-processed product similar to crack but even way, way back from crack but very strong. In Afghanistan, they were consuming something that was relatively close to heroin in a very pure form of heroin and so incredibly addictive. And this is something, wherever you went in the country, I can tell you, anywhere I traveled, particularly in the border areas be it in the northern border into the Stan's or Iran, I mean this was a major, major social issue. The number of women we would meet with whose husbands were addicts and just the women had had to take over the entire responsibility of the... And it was everywhere. Very, very under-represented in terms of the way development challenges were described for the country but just a major, major issue going forward.

*Q: It did make the western press but very rarely.*

ARELLANO: Very rarely.

*Q: It's just not a topic that the western press seems to be very interested in.*

ARELLANO: Oh, they're tired of it. They're tired of it. It's been 50 years now. You can talk about the unresolvable just so long and people lose interest.

*Q: One thing that does seem to have taken root though, at least once again because of western reporting on it, is women's education and at least somewhat more grassroots women in the economy? Would that be fair to say?*

ARELLANO: Yes, definitely, especially the education but also their presence in the economy. I know people say there's a backlash and yes, I mean there's backlash and there's backlash in Pakistan which is driving it. I mean when you look at where there is the most severe backlash inside Afghanistan, it's along with border with Pakistan. And

on the other side of the border into Pakistan is where you've had so many of the terrible incidents against girls going to school. But in general, I think I may have talked about this earlier in the interview, after 9/11 when the U.S. first went in, there were 900,000 students in school nationwide; none of them were girls. By the time I left, I do not have the statistic today, but the number in school was reaching four or five million and of that, 30 some percent were girls. And that was not just in urban areas. This was rural as well as urban. So I don't have the exact statistics today, I just haven't followed it and it's been three years now.

*Q: Zero to thirty per cent. Remarkable.*

ARELLANO: I mean this is miraculous. You look at any country in the world, they have not achieved that. The drop in maternal mortality, the drop in infant mortality, and this was at the Tokyo meeting of donors. I mean for people like myself, there were a whole group of us there who were kind of development types from the seventies. I mean you looked at some of these statistics and what other countries had achieved or not even achieved in fifty years, Afghanistan had achieved in a decade. The issue was sustaining that. And the sustainment was going to... Because so much of it and so much of the development improvements are driven by improvements in the female population, because that was what was dragging them down into... I mean you look at the 10 least-developed countries in the world, Democratic Republic of Congo, Guinea-Bissau, etc., Afghanistan is right down there with that group and what was driving it was just having fifty plus per cent of the population that was totally unattended. So you start to attend to that and it just drives the indicators up in a way that people had predicted for years, that if you do well by women, these countries really are going to move forward.

In terms of business, yes, there were very dynamic groups of business women throughout the country. Everywhere we traveled, we would meet with them. Their problems, they would raise the... Many of them had, since the beginning, since 2002, 2003, were basically illiterate, so they had to do all of their primary, all of their secondary, all of their university and many of them got a master's degree and started a business and were the primary income earners for their family in the space of a decade. I mean some of these women were just absolutely jaw-dropping, extraordinary and you just prayed that they were going to be able to continue and their daughters because their major hope was that they would be able to continue living in the country, that the situation would be sustainable enough from a security perspective for women that their daughters could continue to thrive and their sons. It was much easier for their sons. They knew that their daughters for some years to come, it was still going to be a battle.

*Q: What about the other basic health indicators?*

ARELLANO: Yeah, I mean in general, you know the key is always life expectancy. I know it had gone... it was over 60 by the time I left. Not significantly over 60 but it had been like in the low-fifties or mid-fifties of that. Endemic disease, tuberculosis, which is the poverty disease, there had been a real downtick in that. You know the issue with polio and the rumors that were started by the Taliban and other insurgent groups related to

inoculations. That did not affect Afghanistan as much, although there were some problems in areas where the Taliban were still influential like Kandahar in terms of inoculation campaigns and the safety of health workers. But in general the situation had improved.

When I was there, the Taliban, or “former Taliban”, started making noises in a different direction just because they realized that the population was starting to shift in its opinion. I don’t know where they are today on prevention and medical treatment, but it was interesting. When you would go out to some of these transition meetings with the tribal leaders, they would say, many of them who had one point had been Taliban, would say I never wanted my wife or my daughter to leave the house and would only leave the house with my permission and escorted and come right back. And they talked about how their mentality had shifted and some of them were really very, very eloquent. But like everything else, these shifts are so slow.

*Q: As you’re getting ready to leave, what was the sense of the country that you felt after spending a year there?*

ARELLANO: I would say three things. Number one, I think there was a nervousness because Karzai was reaching his end and he had said he was going to call elections so that was the big one. Was he going to leave? Was he going to stay? And so Karzai was the big driver. In some ways it was less about us than it was about the Afghans which is always important for us to realize. Once we say we’re leaving a place, we’re no longer that important. Once the military drawdown was set, factors such as tribalism and political/geographic strife became increasingly dominant and even more divisive.

There was a tremendous nervousness on the security side. This was written up all over the place about what it would like. Especially because NATO was shrinking quickly and the U.S. of course, with the Germans and others that had a large presence, Australians, were going to be remaining but other countries were pulling out much sooner. And they had divided up the provinces so some of the provinces that had been, for example, under the Spanish or the French or the New Zealanders, somebody was going to have to move in and work through that transition with them. So there was the nervousness in terms of what it would look like from a security perspective. Was the Afghan Army really ready for anything?

And the third thing I would say was a desire among them which brought a lot of kind of, not conflict but very intense dialogue and discussion, as to how ready they were, particularly... You know they had relied on a high-level of leadership was that usually English-speaking, fairly international, you know the Afghans had had so many people out of the country for so many years, there had been a very large diaspora that had come back and assumed high-level positions. But then how deep did that go? Would people stay? Would things continue? Because so many of those people had their families out of the country. So at the level I was dealing at at that time, those were kind of the three primary... The nervousness about what Karzai was going to do and then would these levels of leadership... Part of that leadership issue, which was the one that I think

concerned a lot of us the most, was the fact that they had brought in a very talented group of young people, many of them educated abroad. Most of them financed with international donor money. Their salaries... These were not people who were on the regular salary scale and for Afghanistan. That was becoming a political issue. That you had these very-well paid functionaries who basically had been brought back to run a government. Many of the Afghans saw that as very artificial and something that we all knew, not just them, we all knew was unsustainable over time. So nobody was very sure what that was going to look like. Again, a moment in time that you know, desperate times require desperate measures but was this the right desperate measure? Because you developed a bureaucracy that really depended on people that might not stay, or probably would not stay, were they to earn the normal Afghan salary?

*Q: So as we close in this job, what are you preparing yourself for as you go back?*

ARELLANO: Well, actually by the time I went to Afghanistan, I was on an age extension. I'd already reached retirement age and USAID had given me that age extension and then I was detailed to State Department for that. And so when I came back I knew I was going to complete the last year of my extension and the question was where. And what we agreed to with AID but also with State Department was that I would come to FSI for that year as what they called the Senior Development Advisor at FSI. And it was a number of things but I think was an excellent opportunity to kind of decompress. The whole high-threat area, because of what was going on in the Middle East, post Arab Spring, the whole high-threat discussion was reaching a very new level so I worked here internally at FSI a lot on that issue. I worked at AID on what we were calling at AID, the non-permissive environment discussion. We wanted to differentiate it from the high-threat which State was talking about because for AID, it has much more to do with: Can you do development work in these environments that we called non-permissive which I think was originally a term coined by the military. But since it was where operations focused at AID, I worked on that. I worked on a lot of leadership training for the agency, both mid-level management and ended with a lot of interagency training here at FSI. I participated in a lot of the panels on leadership at FSI. And that was how I spent my last year.

*Q: So you were able to bring ground truth and the credibility of having just been there to people who need to know it. Undoubtedly because they're going out or to similar situations.*

ARELLANO: Right, I participated in the ambassador's training course and the DCM's training course as well. So overall I think it was a good way to finish a career as it were.

*Q: But in fact, your career didn't quite end. What happens as you approach the end of your FSI period?*

ARELLANO: Well, I was actually approached while I was at FSI by the Woodrow Wilson School to take over from an ambassador at Woodrow Wilson who had been both a lecturer but also in charge of a fellowship program that encourages public service. It's



an endowment program there that takes Princeton undergraduates and encourages them to go into government service. It's a six-year program. They do an MPA and then they do a two-year fellowship in government. So I agreed to do that. It was part-time so I said I needed to remain in Washington which is where I live. I didn't want to be separated from my husband yet again because we'd spent a lot of time apart. I'd spent a lot of time separated from my family. And I did that for two years and I told the Woodrow Wilson folks I would do it for two years; that was my original commitment, and I just completed that two-year commitment so that is where I am right now. Finishing that.

*Q: And as you finish that job, you now have the opportunity to look back on your career, to look at where you were when you entered and the cohort that you entered with and where you are now and the cohort that are looking to come in. What are the significant differences you see from then until now?*

ARELLANO: Fascinating question. Well, Princeton does draw from a very select pool of students. So there's that. But having said that, I have four children of my own so I've dealt with young people very, very directly. I guess there are a couple of things. Number one is that the job market today is just much more diverse. So when you establish a program that commits to placing people eventually in foreign affairs or domestic policy work or government work, it is going to be a much more difficult thing to get them to commit because so much of the U.S. government now is being done through contract work which pays better, promotes quicker, may not ask you to go to some place that you can't go with your family. I mean in terms of international affairs. And on the domestic side, I just think that it's tougher to get in. From the civil service versus foreign service perspective, it's extremely competitive. Right now one of the things you're dealing with is veteran's preference. I cannot tell you how many students from the program I was dealing with at Princeton, were unable to get into an agency because they were having to get their numbers up for veterans' preference which were targets the White House had set for them or they had set for themselves at the behest of the White House. So there's that.

It's a much more diverse labor market than it was when I entered. When I was interested in international affairs. Not that it was easy in the seventies to get into government but it's much more challenging now to guarantee that a program like the one at Princeton is going to produce a 100 percent result that every MPA student coming out of Woodrow Wilson is going to work in the federal government. If that was what the programs were endowed for, I find that very challenging.

And then again the veterans' preference issue is a major one. But also the question of, and I think all agencies deal with this now, people just see the job market very, very differently partially because it is more diverse. You know they may do something one period of time, get an offer from somebody else and go in another direction. Decide because they have a family that it's better to... Or because both spouses work that... I think the spouse employment issue has taken on a life of its own, not just for the foreign service but domestically because when in the seventies you were not even looking at 50% of the labor force, the female labor force. Today, you're looking at closing in on 80 or higher. Most families will be dual-income at some point if not most of the time. And then

what that means in terms of which spouse moves faster or which job drives the location? So it is a very, very different universe.

From a policy perspective and interest, I do think that there was, on the international affairs side, I do think that there probably was a post 9/11 and Obama administration uptick just because you had a younger president, a very internationally oriented president, somebody who really represented issues that young people cared about. I just don't know how long that's going to be sustained. It's going to be interesting to watch whether new generations are going to be as interested in federal service. I know that in 2008 and even after 9/11, you had a real growth and interest. I just don't know whether that is going to change given where we go. We'll see.

*End of interview*