

THE INSTITUTE OF INTER-AMERICAN AFFAIRS
DIVISION OF INDUSTRY, GOVERNMENT, AND TECHNICAL SERVICES

MEMORANDUM

TO:

FROM: John H. Finlator, Acting Director

SUBJECT: Role and Organization of IGT.

Attached, for your information, are copies of the latest narrative statement of the role and organization of IGT. This information is for such use as you wish to make of it. I am sending this material to you as it may help our counterparts overseas to have a good understanding of the functions of the Washington Office. Additional copies are available in case you need them.

Attachments.

ROLE AND ORGANIZATION OF THE DIVISION OF INDUSTRY, GOVERNMENT, AND TECHNICAL SERVICES

Introduction

The Institute of Inter-American Affairs as organized prior to the origin of the Point Four program contained three major functional divisions -- Food Supply Division, Health and Sanitation Division, and Education Division. However, with the coming into being of the Technical Cooperation Administration, the amalgamation of the IIAA with the TCA and the consequent transfer of Latin America Point IV functions to the Institute, a large number of programs were added to the Institute. To administer the new programs the Division of Industry, Government, and Technical Services (IGT) was created.

Scope and Responsibilities

The Division of Industry, Government, and Technical Services is responsible for the development, planning, coordination, and implementation of the Point IV Program in Latin America in the following fields:

- Industrial Productivity
- General Administration of Government Agencies
- Budget Management
- Census Statistics
- Communications
- Economic Statistics
- Fiscal Management
- Labor
- Laboratory and Materials Standards
- Mapping and Surveying
- Meteorology
- Organization and Management
- Personnel Administration
- Public Finance
- Taxation
- Transportation
- Other Technical Services

In carrying out its obligations IGT cooperates with a large number of other Government Departments and agencies. IGT draws many of its specialists from these agencies in addition to placing trainees in their offices. IGT deals with the several bureaus and offices within the Department of Commerce, the Department of Labor, the Department of the Interior, and maintains relations with the Bureau of Old Age and Survivors Insurance, Bureau of the Mint, Bureau of the Budget, U.S. Army Corps of Engineers, U.S. Tariff Commission, and the Housing and Home Finance Agency, to mention only a few of the major agencies. In all, IGT cooperates with some twenty-three different bureaus, offices, and agencies in carrying out its technical cooperation program for Latin America. IGT also coordinates its activities with international organizations and negotiates with private institutions, firms, foundations, and universities in the fields of activities in which IGT is engaged in carrying out programs.

Organization

Organization

Of the large numbers of technical services provided by IGT it is considered that the Public Administration and Industrial Development programs are of special importance since they individually provide a significant impact on the economic development of countries. In order to give these two services major emphasis while at the same time recognizing the importance of Transportation, Labor, and Technical and Scientific specialties, the Division was organized into three branches, the first two being concerned with the two important activities just mentioned and the third branch assuming responsibility for all of the remaining technical services, which make up the balance of Point Four.

In addition to the three functional operating branches, the Washington office of IGT includes the Office of the Director and the Reports and Analysis Staff. The Director is responsible for policy formulation, planning, directing, program development and appraisal of the Division's activities. He is also responsible for liaison with the offices and agencies with which IGT cooperates. He is, in addition, the Public Administration Consultant for the President, the Vice President, and the IIAA at large. The Deputy Director is responsible for the operational activities of the Division and, therefore, coordinates the programs on a regional and country basis. He is also responsible for program coordination and control.

The Reports and Analysis Staff aids the Director and Deputy Director in the performance of their tasks by providing information, suggesting policies, evaluating proposals, analyzing and preparing progress and status reports, coordinating and developing the Division's budget, and by performing a large number of other duties that are customarily assigned to staff officers. It also controls and coordinates Divisional procedures, communications, and materials.

Technical Training Program

In addition to its staff functions mentioned above a training officer within the Reports and Analysis Staff is responsible for the planning and operation of IGT training programs. This is one of the fields of endeavor in which IGT is particularly interested. During the Fiscal Year 1952 IGT awarded 288 training grants. Persons were selected for training in the following fields of activity:

- Aircraft Engine Machines
- Airport Control
- Banking Practices
- Census Methods
- Civil Aviation
- Civil Service
- Diesel Engine Training
- Electric Motor Repair
- Fiscal Administration
- Fuels and Oils Testing
- Highways
- Industrial Safety
- Industrial Training

Labor Law Administration
Labor Statistics
Labor Unions
Map Drafting
Meteorology
National Income Statistics
Public Administration
Telecommunications

IGT has relied on a number of Government agencies for the carrying out of its training program. Included in those with which IGT cooperates in this effort are the Office of International Trade, Bureau of the Census, Bureau of the Budget, Bureau of Labor Standards, Bureau of Labor Statistics, Civil Aeronautics Administration, Office of Business Economics, Bureau of Apprenticeship, Office of Territories, and the Office of International Labor Affairs.

Industrial Development Branch

One of the more important fields of technical assistance lying outside the basic fields of health, education, and agriculture, is that of industrial development. It too has become an area of basic importance in Latin America. Several countries are now in a position to promote industrialization on a relatively comprehensive scale, and must soon do so, in some instances in order to maintain a balance in their growing economies. In fact, in all of the Latin American countries some attention needs to be paid to promoting the industrial factors in their development. Unless small and medium manufacturing industries can be made profitable; unless the workers in these establishments can enjoy better standards of living; unless the products of manufacturing can be sold competitively, over-all development will lag.

At present, IGT is operating largely in the field of industrial productivity. It is felt that its program should begin with the already existing industries and should be directed toward helping them to improve methods, cut costs, increase quality, and lower prices. This, of course, is only one phase of a total industry program, but it is an excellent place at which to begin making efforts toward industrial development. As it becomes feasible to enter into a broader program of industrial development, the scope of the Industrial Development Branch will be enlarged accordingly to include the development of new industries and the securing of private capital to support industrialization.

The basic plan for IGT's efforts in the field of industrial productivity is to establish cooperative technological and investment advisory centers for small and medium industries. Also, consultant services are provided to aid industries in increasing their productivity. As yet the program is in its infancy but already servicios concerned with industrial productivity have been organized in Chile and Brazil.

IGT's industry branch is also concerned with technical assistance in the field of handicrafts such as weaving, ceramics, leather working, carving, etc. It is widely recognized that the handicraft industry in Latin America

is potentially an important factor in the economies of many countries of that area. Even in the relatively more industrialized countries, a thriving handicraft industry could provide a substantial supplementary income, one that would be a source of dollars. However, the handicraft industry is in need of certain technical aid to raise the quality of the products by the introduction of new techniques and methods. Thus, in the field IGT provides handicraft specialists to the Latin American countries desiring them, specialists who, while encouraging the forms and patterns native to the respective cultures, introduce more efficient techniques to aid the craftsmen.

Public Administration Branch

The Public Administration Branch has the responsibility for action, supervision, and direction of the public administration program in the field; it selects and assigns Public Administration Consultants to the field; it provides special consultants to aid the Public Administration Consultants in implementing technical assistance in the several fields that comprise public administration. Liaison is maintained with the TCA, Bureau of the Budget, the U.N., and other agencies and institutions. It operates a clearing house for technical materials and information and directs the operation of a field technical pool.

Department of State Publication No. 3719 (1950) states: "Effective economic development in underdeveloped countries depends in large measure upon the efficiency and competence of the government involved. No program for development can succeed without sound governmental administrative practices and competent governmental administrative personnel. Therefore assistance in several fields of governmental activity should be made available to governments of countries seriously seeking their economic advancement."

It is in keeping with this statement of the importance to permanent technical advances of sound public administrative procedures that a branch of IGT has been established to deal with this subject. Public administration consultant services have been made available to Latin American countries desiring them. In addition, supporting the individual consultants is a regional Public Administration Pool made up of specialists who are available for short-term assignments. IGT has worked closely with the TCA Public Administration Advisor and the U.S. Bureau of the Budget in the development of plans in this field of activity.

IGT's program in public administration makes available consultant services in the following and related fields:

- Accounting
- Budget Management
- City Planning
- Civil Service Systems
- Fiscal Management
- General Administration

Management

Management Engineering
Organization and Methods
Personnel Administration
Procurement and Supply
Public Finance

It should be kept in mind that the public administration consultants who are on the spot in the field are also available for consultation on management and administrative problems arising within the servicios, joint commissions, the Point IV Mission and the American Embassy in the country to which they are attached.

Already 17 servicios and 5 ministries have officially requested technical assistance in administrative management. Most of the other servicio directors are known to desire such service for their own organization and for the Ministries with which they work. In addition, several countries have requested aid in government-wide reorganization or in the budget, procurement systems, etc.

As of the present time IGT has public administration consultants assigned to nine Latin American countries. However, a total of ten countries have officially requested the services of one or more public administration specialists, and IGT is filling these requests, in addition to making provision for anticipated formal requests from several other countries.

Technical Services Branch

The Technical Services Branch is responsible for program and project development and execution in many different fields. In cooperation with other agencies, Federal, State and local institutions, private organizations, etc., furnishes assistance to the field concerning the following technical fields:

Census
Civil Aviation
Coast and Geodetic Surveying
Communications
Customs
Labor
Laboratory Standards
Mapping and Surveying
Meteorology
Public Roads
Public Utilities
Railroads
Rivers and Harbors
Statistics (census, economic, etc.)
Tariffs
Taxation

As is evident from this listing (which is being increased as additional requests are received for technical services not included above), the Technical Services Branch provides and administers all those technical services falling outside the scope of the Public Administration and Industrial Productivity Branches. Thus the Technical Services Branch provides the specialists to fill the requests of the Latin American countries for technical advice and assistance in the many fields in which it operates. In addition to the individual consultants sent to the various countries, regional pools of qualified technicians are being established for short term assignments anywhere in Latin America. For instance, a Civil Aeronautics technical group has been established in Panama and is available to all the Latin American countries for advice and aid in improving their civil aviation facilities and to supplement the work of the individual country CAA missions. Other regional projects have already been proposed and approved. Among these is a plan to provide labor consultants wherever they are needed for short term jobs.

As is true of the other two branches, the Technical Services Branch will alter its program in whichever direction requests for assistance may lead and as those requests are compatible with the overall economic development plans of each country.

Summary

In terms of the greatest needs and based on requests from host governments, IGT furnishes specialized assistance to ensure that there will not be a lag between advances in other fields and in the fields of industry, public administration, and technical services. IGT's contribution makes possible a balanced and well-integrated program of technical economic assistance to Latin America.