DÉJÀ VU ALL OVER AGAIN?

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USAID HASN'T YET FOUND A MAGIC FORMULA FOR DEVELOPMENT THAT WORKS WORLDWIDE. YET IT *HAS* DONE A LOT OF GOOD.

BY JOSEPH C. GUARDIANO

At different stages of my Foreign Service career, USAID has tried a series of different "development" strategies. Certainly we have not yet stumbled across a magic formula for development that works worldwide. We have tried regional development, community development, small is beautiful, agricultural-led development, export-led development, Title IX activities that revolve around cooperatives and community-centered projects, integrated rural development, food for peace, food for development, water for peace, reimbursable development, legal and democratic training — a virtual encyclopedia of development jargon. But one wonders whether our successive strategies were designed more

to sustain USAID than they were to achieve sustainable development.

Stages of Development — The European Model

When I started out on the Somali desk in the early 1960s, the U.S. had just recognized the many newly-independent states of Africa, established embassies and begun to initiate assistance programs. In those heady days when we thought we could change the world, we believed that the underdeveloped countries of Latin America, Asia and Africa were essentially "primitive" versions of European nations. In time, having gone through patterns of change similar to the more advanced nations, they might "develop" the institutions and standards of living of Europe and North America. And given that the Marshall Plan had been a resounding success, we thought that we had a blueprint for our assistance programs in the rest of the world.

One wonders whether USAID's successive strategies were designed more to sustain it than to achieve sustainable development.

Yet success came more slowly and with greater effort in Africa than in Asia or Europe. There are many reasons for this. Africa's stage of economic development demands more constancy and larger inputs from abroad. Most of the continent suffers from a shortage of counterpart funding for operational costs, a sparseness of qualified local personnel, tribal conflicts, immense health problems and only skeletal infrastructure to support nation-building.

Another factor impeding our effectiveness in Africa is American ignorance of local customs. One U.S. technician once complained to me, for example, that his counterpart wouldn't give him the time of day. I discussed it with the African official and found out that the American never shook his hand! The Africans always shook hands when they first met each day, and they often held hands with other men, spending half an hour to say hello. When I explained this to the American advisor, his initial reaction was that he thought it was a European custom, and he wasn't about to perpetuate *their* habits! But he changed, and so did the situation.

The USAID country strategy for Zaire in the 1970s and 1980s is illustrative of how little we understood our clients. Fifteen years after completing my three-year tour in Zaire I returned on a TDY and noticed that the USAID mission was following a development strategy that I had written. I had originally written the plan without the benefit of trained social scientists on the staff and without the benefit of a long working relationship with the Mobutu government. At the end of my first tour in Zaire, I already had suspicions that my strategy would only be partially effective. It relied on the assumption that working closely with central government ministries was the only way to ensure local support and success. That assumption was incorrect, yet an aid strategy that should have been scrapped in the mid-1970s was still being followed in the late 1980s.

While stationed in Niger, I used to think that President Hamani Diori was correct in his assessment that, due to the Peace Corps experience, some day the U.S. would develop a mature outlook on the world and a better understanding of its realities. But it seems that just the opposite has occurred. Many Americans still have the attitude that poverty is a sign of laziness, indifference or an entitlement mentality. And at the other extreme, many former Peace Corps Volunteers regard Africans as helpless victims, and therefore feel compelled to keep sending charity to their "families" long after leaving. Similarly, some former USAID personnel have established private voluntary agencies to undertake good works on that unfortunate continent. But these are palliatives, not solutions. The missionary view that we need to do good for those poor folk may help them to some degree, but only long-term and sustained efforts will truly change the situation in those countries.

The early groups of volunteers were given anthropological and sociological training on the countries where they were sent to serve. Out of those experiences came an excellent book, *Living Poor: A Peace Corps Chronicle* (University of Washington Press, 1969) that realistically

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reported on how a culture, or at least how the poor in that culture, are captives of their environment. Disease, malnutrition and the monotony of their lives all acted to oppress the villagers and leave them with little energy or ambition. But, inexplicably, many PCVs did not seem to understand either this situation or the local cultures. Maybe they never read the book! Similarly, in the early days of USAID, U.S. advisors were given six weeks of training, both in USAID documentation/practices and in country specifics. Sadly, those brief yet useful sessions were eventually dropped, victims of budget cuts, no doubt.

Custom-Tailoring Aid

In the 1960s, USAID instituted an impressive set of manual orders for custom-tailoring each aid program to the particular needs of the recipient country. Field missions prepared elaborate annual strategies, budgets and program and project planning documents. Each mission annually had to submit a balance of payments estimate for its client country. The requirement was dropped when USAID's chief economist pointed out that given the discrepancies in the estimates and the large size of the payment gaps relative to the amount of assistance that USAID might be able to provide, the reporting was not worth the effort. It was retained only for countries where our program included funding for balance of payments support.

We also designed strategies for each country as if our "social soundness" analyses really explained how the societies work. In virtually all cases we designed and required impossibly complicated planning documents that even few USAID bureaucrats understood. We rarely relied on a truly in-depth knowledge of the local sociological scene for shaping our strategies and practices. "Will this project work in this country at this time?" is a crucial question that most U.S. experts have difficulty answering adequately. I was dismayed, for example, to read a detailed project description for a new agricultural extension project proposal in Niger. The project relied heavily on an elaborate fleet of vehicles, touring the countryside, gathering statistical data and dispensing advice to farmers. It would have required major recurring operational costs. The U.S. advisor designed it in the only way he knew, he said, the way he had carried out agricultural extension programs in the U.S.. Similarly, when U.S. technicians changed the design for the purchase of trucks for the Sudan and specified sand tires instead of the four-wheeled vehicles proposed by British expatriates, it opened the bidding to U.S. vehicles (since we didn't produce four-wheeled trucks). Unfortunately it also confirmed the expatriates' predictions that the U.S. trucks would founder in the Sudanese sand. But the American experts insisted that's the way they had done it in Arizona.

On the other hand, some U.S. advisors may have been too understanding about how things worked in their countries. One of them wrote in a draft planning document that, "The most we can hope for is that we can keep corruption within reasonable limits!"

Nor did it help that in the "good old days" we kept trying to spend the aid money in the U.S. We financed commodities, training and services for activities that were usually planned and designed by American technicians. Americans wrote the specifications for the commodities or services, the bids were mainly restricted to U.S.-made products from U.S. sources and in most cases, American technicians carried out project and non-project activities. From time to time we relied on host country agencies to prepare bid documents and to award contracts but to the extent we were vigilant in our reviews, the results seemed to coincide with what our own reviewers might have concluded. Concern with the impact of offshore spending began to assume special importance during the early Kennedy years when the Treasury Department noticed a growing balance of payments deficit. In the field we were even asked at one time to identify not only the portion of our program that was spent offshore instead of in the U.S., but also the relative division for personal consumption as well. We had to do this even though our trade deficit with these countries was relatively miniscule.

Country Studies

In the former French colonies in Africa we opted to allow the French to take a lead in virtually all development. We looked for "targets of opportunity," projects that would not add to the recipient's budgetary burden. We thus tended to finance "commodity drops." This practice also assumed that France could provide technical advisors because USAID would not be able to find U.S. technicians with adequate French-language capability. This led, for example, to an anomalous situation in 1963 in Chad. We had a nominally technical assistance program, but no technical assistance personnel. U.S. experts flew in for a few days, a week, or longer, reviewed their projects, made their recommendations and flew on to another country where there was also a similarly small "U.S. aid presence," but not

much more. USAID even tried for a while to eliminate having any development officers at post, in favor of using the U.S. embassy as a postal drop, with embassy personnel transmitting messages to and from Washington. Predictably, that approach failed abysmally in all respects.

In the late 1960s in Asia, Korea was already a success story. We had provided all forms of assistance, including budget support, and we even reviewed line items in the Korean budget to verify inclusion of self-help measures we had negotiated. The Koreans were an extremely hard-working, task-oriented and clever people. As part of the U.S. aid program, they were able to import U.S. commodities such as cotton and wheat, process them, and then sell the finished products abroad to U.S. and other consumers. The Koreans always had detailed shipping and receipt documents to support their distribution of U.S. PL480 foods. Not a pound of grain or a can of oil was ever lost according to their records. But our auditors were sufficiently alert to find diversions of U.S. commodities in a variety of activities, and we successfully negotiated refunds of millions of dollars from the government. "Trust but verify" was not an explicit motto, but we tried to follow the concept, if not the language, and we usually avoided adding substance to charges that the aid program made dictators rich. Although we did write checks to governments to support structural change (after I retired!), in most of my years as an aid bureaucrat we did not give money directly to governments, either corrupt or honest. For a long time we separated aid that was politically motivated from that which was solely developmental, even though the projects themselves might have been exactly the same. It often seemed this was more a labeling exercise designed to satisfy congressional carping.

But despite the tailored approach, the agency's general emphasis seemed, at least initially, to center on capital formation and industrialization, basic economic issues that related directly to increasing investment and national income. For that reason, while USAID gave technical assistance on a grant basis, our policy for capital assistance was to provide "development loans." In the Africa Bureau,

for example, if a capital project cost at least $400,000, it was immediately slotted for a loan rather than grant-financing. Arguments to waive the philosophy of using loan funds in such poor countries for basic roads, town water supplies, or similar capital projects were usually parried with the response, "They may be poor now, yet who would have predicted a few years ago that Libya would become so rich?"

In retrospect, tailoring our aid programs at that time to the requirements of the country was sometimes a bit bizarre. I look back in wonderment, for example, at our naiveté when in 1962 we proposed a long-range assistance strategy for the Sudan. USAID was willing to pledge a multiyear grant of some $2 million (!) subject to the Sudanese government's having an acceptable development plan and undertaking associated self-help measures. I say naiveté because we thought we understood so much more than we really did, both about the development process and about Sudanese society. Moreover, $2 million was a rather paltry sum, even for those days. But Africa has always been the slighted continent in the USAID family.

We are, of course, captives of our own culture. Perhaps our experience in our own society with its seemingly boundless economic opportunities, its political freedoms, its geographic fortune, its rich resources and incredible development history dims our vision and overwhelms our judgment. Why can't the rest of the world be like the U.S., we ask? When the minister of agriculture in Niger told me that his farmers couldn't duplicate the results of the Chinese agricultural assistance teams who were obtaining multiple yields of rice from their demonstration plots, he said, "We are Muslims; we have to pray five times a day. The Chinese farmers don't stop to pray. The Chinese are bachelors who work from sunup to sundown; we are family people and have to spend time on family matters as well as on farming." My colleagues laughed when I told them this, but the minister was clearly highlighting a basic truism about exporting technology into another culture — a concept that is easy to understand but not always easy to recognize.

Aid That Works

My current views are not too different from what they were almost 50 years ago, but I am much more mindful of how complicated the world really is. The U.S. has only limited means to help other countries. We depend on high-tech solutions, using satellites, for example, for phone conversations, whereas in many countries the phone doesn't even work for local calls. We're impatient with the pace of change in our client states. We expect results and change to come the way we perceive they do in the U.S., but we forget that our own plumbing sometimes leaks and the family car dies on lonely roads. We rail against corruption among government and business officials who are surrounded by poverty and misery in the recipient countries, yet until recently, we ignored scandalous business practices here at home. And we lack the political will and national consensus to stay in the development game for the long haul. I'm afraid that instead of helping in a substantial way we'll decide to identify and address only a few striking global problems (health, overpopulation, food production, etc.), looking for maximum impact with minimum investment. This is what we've typically done in the past; and this is what we appear willing to settle for in the future.

For that matter, just how relevant are USAID's methods and approaches today? At one time we practitioners talked about appropriate technology. But we don't apply the term to our own way of doing things, either in giving aid or in planning it. How can we recognize what it means when applied to those whom we'd like to help? What we can best offer is foreign exchange to cover the import of goods and services, and some techniques, methodologies and knowledge that can substantially improve life in the Third World.

Most U.S. technicians will never receive the recognition they deserve. But USAID's aid has worked. I still feel good about being involved in our program to eradicate smallpox and control measles, among other killer diseases in Africa. I am pleased that my efforts helped get the JFK Bridge built in Niamey. I take pride in having sent the first Chadian to the U.S., on a participant training program, and recall that on his return, he proclaimed that with what he had learned about sorghum production in the U.S., he could transform agricultural production in Chad if he had the means. I still derive great satisfaction from knowing that I played a major role in initiating a successful integrated rural development project in Zaire. And I recall the pride I felt in more than one country when local companies, organizations, and governments feted American advisors for the difference they had made. ■