

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
Washington, D. C.

Office of Program and Policy Coordination

A.I.D. Discussion Paper No. 17

AID ADMINISTRATION TO THE RURAL SECTOR
The JCRR Experience in Taiwan
and
Its Application in Other Countries

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April, 1968

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NOTE

Chapter 7 of the Foreign Assistance Act of 1961, as amended in 1966, expresses Congressional interest in the possibility of making greater use of joint agencies to administer aid to the rural sectors of developing countries. In response to that provision, and as part of an expanding series of evaluations of Agency programs and assistance techniques, the Office of Program and Policy Coordination requested Mr. Richard Hough to investigate the record of the Sino-American Joint Commission on Rural Reconstruction (JCRR). The JCRR is the archetype of the jointly administered U.S.-host country agency for rural development, and is generally considered to have been highly successful.

Mr. Hough brings to the study many years of experience in the administration of foreign assistance programs, including three years in the Program Office of the U.S. Mission to Taiwan during the period 1962-1965.

Mr. Hough's paper served as the basis of discussion at the February, 1968 meeting of the Administrator's Advisory Committee on Economic Development (ACED). The issues paper which was distributed to Committee members prior to that meeting and a summary of the ACED discussion are attached as appendices.

INTRODUCTION: THE TERMS OF REFERENCE

The Foreign Assistance Act of 1966 carries a new provision dealing with A.I.D.'s administration of aid to the rural sector. This provision, Chapter 7, encourages A.I.D. to establish, in cooperation with host countries, Joint Commissions of Rural Development. Chapter 7 reads:

(a) The President is authorized to conclude agreements with less developed countries providing for the establishment in such countries of Joint Commissions on Rural Development each of which shall be composed of one or more citizens of the United States appointed by the President and one or more citizens of the country in which the Commission is established. A majority of the members of each such Commission shall be citizens of the country in which it is established. Each such agreement shall provide for the selection of the members who are citizens of the country in which the Commission is established who wherever feasible shall be selected in such manner and for such terms of office as will insure to the maximum extent possible their tenure and continuity in office.

(b) A commission established pursuant to an agreement authorized by this section shall be authorized to formulate and carry out programs for development of rural areas in the country in which it is established, which may include such research, training and other activities as may be necessary or appropriate for such development.

The language of Chapter 7 is permissive; its intent is to provide an explicit Congressional mandate for application in aid-recipient countries of the successful experience AID and its predecessor agencies have had with the joint commission approach to rural development in the Republic of China on Taiwan. Modification of the archetype institution, the Sino-American Joint Commission on Rural Reconstruction (JCRR), would be necessary for its use to be feasible in other countries. There is indeed a need to take a close further look at the JCRR experience, distilling from it those elements which might have application, or prove amenable to adaptation, in different institutional settings of other aid-recipient countries.

Initial consideration within A.I.D. of the opportunities and problems presented by Chapter 7 has made it clear that this provision should not be appraised, policy-wise, in a term of reference which would have the effect of limiting discussion to a further utilization of the joint commission approach narrowly or mechanically derived from the JCRR model. Rather it was apparent that the intent should be to view broadly the JCRR experience as one which we can learn significantly from if analyzed in its different dimensions (including but not limited to jointness). We are looking for institutional means and techniques that better reach the primary producers and/or local agents of growth - means calculated to position and channel our assistance so that it has a greater positive impact upon rural development. JCRR as one of the more successful experiments in our Agency "memory" should be tapped in this regard, not with the preconception of developing comparable models, contrived at least in part external to other country situations, but rather with the aim of using JCRR as a source of ideas for further experimentation with aid techniques in the rural sector.

2.

The recent Report of the President's Science Advisory Committee, The World Food Problem, states that "the scale, severity, and duration of the world food problem are so great that a massive, long-range, innovative effort unprecedented in human history will be required to master it."¹ The Report points out that "food needs will at least double in the next two decades;"² that "the vast majority of the increased production must take place within the developing countries themselves;"³ and that "the bulk of the increase in food supply must come from increased production of farm crops."⁴ Further, the Report places sharp emphasis on the key role of foreign technical assistance in dealing effectively with the world food crisis. Particularly, the extensive and intensive efforts proposed imply a cooperative U. S. involvement with the agricultural institutions of developing countries considerably beyond the scale and impact of our present programs. Indeed, Chapter 7, reflecting the background of a deep and successful American involvement through JCRR in the agricultural development of Taiwan, meshes extremely well with the Report's findings and recommendations. Given the crucial nature of the food problem in the LDCs, recipients and donors alike should be willing to try approaches that have proven effective elsewhere in planning and allocating external assistance to agriculture and the rural sector generally.

¹Volume 1, (May 1967), 11.

²Ibid., 12.

³Ibid., 17.

⁴Ibid., 19.

Also, the policy implications of Chapter 7 should be considered in light of its kindred provision of the Foreign Assistance Act of 1966, Title IX. - The Utilization of Democratic Institutions in Development. The intent of Title IX, is, at least in part, to encourage A.I.D. program initiatives designed to increase popular participation and to intensify the local and pluralistic spread effects of our aid within the development process. In this sense, Chapter 7 suggests approaches calculated to meet the purposes of Title IX in that the character of the JCRR program - its objectives, techniques and results - closely parallels these purposes.

Chapter 7 also bears relation to Section 211(e) (The Mondale Amendment) of the 1966 FAA which proves: "In any developing countries or areas where food production is not increasing enough to meet the demands of an expanding population, or diets are seriously deficient, a high priority shall be given to efforts to increase agricultural production, particularly the establishment or expansion of adaptive research programs designed to increase acre-yields of the major food crops. . . ." Again, Chapter 7 suggests directions in line with the thrust of 211(e) in that adaptive research mounted for practical and more or less immediate ends at the level of the primary producer has been an integral component of the JCRR program and in fact has generated dramatic results.

3.

Within the above terms of reference, this paper first sketches in the traditional bilateral-counterpart form of aid administration to the rural sector, stressing the problems involved; systematically analyzes the JCRR experience; indicates approaches to and general examples of its possible adaptation; and illustratively discusses country alternatives for Chapter 7 initiatives. The aim is to stimulate a policy dialogue in A.I.D. which will lead to a positive, operational response to Chapter 7.

CHAPTER I

COUNTERPART AID ADMINISTRATION

1. The Setting

The ultimate concern in this paper is with rural development, i.e., development where the preponderant mass of people resides: how to identify, galvanize and channel the forces or key variables of rural growth in a particular country, region or locality. Although the farmer is the decisive element of development, the setting for development - natural (climate and soils) and man-made (institutional, cultural and politico-social) is no less central. Indeed it is the setting which we are particularly interested in here, especially the man-made institutional setting or matrix from whence, or thru which, the changes - technical, economic, social and political - are generated that trigger development. Similarly, the role U. S. assistance, its organization and methods, can play in spurring growth is of key concern, specifically its role in helping to build, change and make more effective the public and private institutions vital to this growth.

2. The Counterpart Relation

U. S. methods of administering assistance to the rural sector stand in need of improvement and change, notwithstanding the significant achievements in some of the developing countries which these methods have contributed to. As a general proposition, experimentation and innovation certainly are called for in light of the slow progress in food production in numerous countries which have been recipients of our agricultural assistance for many years and the contrasting growth imperatives of the future which have been set forth by the President's Report on The World Food Problem.

Aid administration to the rural sector in most of our country programs is characterized by the counterpart advisory relation. Projects are mounted through bilateral agreement between recipient and donor and staffed by host government officials and

technicians of the appropriate ministries who are advised by U. S. technicians and/or consultants functioning as members of a separate U. S. foreign aid mission. In effect, projects are implemented by complementary units in the recipient government and U. S. mission, each with their own staff functioning separately but hopefully in meaningful liaison and coordination. Policy and program decisions likely will be made independently at the management level by one party with the other performing the role of review and approval.

American technical assistance to the rural sector largely has been directed toward the development and modernization of host country rural-agricultural institutions: improving their capacity to create and upgrade skilled manpower resources and to provide production, credit and marketing services to the farmers. These goals have been pursued for the most part by providing U. S. agricultural specialists to work with host country counterparts at the central government level, advising the latter, for example, in the planning and execution of projects in infrastructure and in research, demonstration and extension of proven practices to the farmers. In effect, the assistance of A.I.D. and its predecessor agencies to the rural sector of the LDCs - albeit with significant exceptions - has been a bilateral training program for host country rural and agricultural technicians and scientists, carried out through American counterpart advisors and participant training in the U. S. or third countries, and primarily oriented to central government directions and expressed priorities.

These methods have succeeded in some countries in upgrading the technical competence of ministries of agriculture and other agricultural development institutions. Indeed, it can be fairly argued that where program goals have not been met the failing has not been the assistance techniques used but rather the existence of problems beyond our control or immediate remedy, e.g., political instability, cultural blocks, primitive technology and the paucity of skilled manpower. However, the validity of this argument can be but partial. The counterpart advisory relation does have its difficulties and/or weaknesses which have hindered and compromised in varying measure the effectiveness of our assistance to rural development.

The primary shortcoming of this approach is the separate organizational and differentiated relation between the U. S. advisor and his host government counterpart. This separation intensifies the always difficult task, so essential to effective technology transfer, of adapting and melding external expertise to indigenous problems and ways of doing things. It is indeed the exceptional U. S. technician who successfully bridges the dual organization gap.

Similarly, when disagreements and problems arise between the advisor and his counterpart, the resolution likely will be an unsatisfactory arms length compromise not based on the objective determination of the facts and issues which would be possible if the two parties were working together in a joint, or at least closer professional environment.

Also, the U. S. advisor-counterpart relation does not provide a particularly suitable means for American cooperation in sector planning and analysis. Sector planning requires closely coordinated, cross-disciplinary team-work to determine major problem areas and to recommend appropriate fiscal, economic and administrative policies as well as national resource allocation strategies. U. S. experts working out of a separate aid mission find it difficult to involve themselves meaningfully in the complex process of rural-agricultural planning.

Last, the inefficiencies produced by the discontinuity of program planning and implementation resulting from relatively short U. S. A.I.D. personnel assignments and the time gaps between replacements obviously are compounded by the institutional separateness of American staff and their host government counterparts.⁵

⁵ Dr. Erven J. Long, Director of the A.I.D. Research and Institutional Grants Staff of the War on Hunger Office, has commented on the counterpart advisory relation along lines similar to the above: "The problem of absorptive capacity for technical assistance is a legitimate concern. In the case of capital, 'absorptive capacity' depends upon levels of human skills and capabilities of public and private institutions to put the capital to effective use. It may be quite different in the case of technical assistance, depending in large part on the manner in which it is provided. If provided purely in the form of advice, it is confronted by the same types of limitations as is capital assistance. However, properly designed, technical assistance has as its primary objective and attribute the enhancing of these limiting human skills and institutional capabilities. To the extent that it truly concerns itself with assisting as well as advising, technical assistance should help remove limitations on 'absorptive capacity' as a significant limiting factor. Ways of extending technical assistance which augment rather than overload host country 'absorptive capacities' should be sought. This may well require, in many cases, that technical assistance workers assume a more participative and less purely advisory role than is characteristic. Clearly, the present 'counterpart' concept of linking one U. S. technician with one 'counterpart' is very wasteful of our professional resources." Comments on A.I.D. Agricultural Program, (A.I.D./Washington: December 1965), Mimeo., 15.

3. The Transmission Belt

There are no doubt examples of U. S. aid missions overcoming or minimizing the shortcomings of the counterpart relation through experienced and perceptive management and the work of high quality technicians. However, it must be stressed that even when we have succeeded in increasing the technical competence of rural or agricultural institutions at the central government level, it is far from assured that these institutions have the capacity to generate the changes in traditional local farming practices which are pivotal to agricultural development.⁶

It has been said that "too often we ignore a universal 'principle' that the greater the extent to which one involves peasant farmers in programs devoted to their immediate problems the greater the effectiveness of program implementation."⁷ Universal or not, this principle does illustrate a major reason why our assistance techniques and/or program methods, on balance, have not channeled U. S. aid so as to optimize its positive impact upon agricultural development. Indeed, the key failing of our counterpart approach to aid administration, at least to the rural sector, is that this approach has not facilitated a real penetration of aid to the level of the primary producer. Put differently, we have not sufficiently stimulated or encouraged policies and programs

⁶Dr. S. C. Hsieh, past Secretary General of the JCRR and now a senior official of the Asia Development Bank, makes the same point though in more unkind language: "In many . . . cases, . . . international assistance for agriculture could be channeled only through the public agricultural agencies at the national or federal level which is far from the production-action level of agriculture. Government red-tape and inefficiency in administration plus unrealistic central planning and programming have resulted in non-implementation or delayed implementation of many agricultural development programs under international assistance." "Utilizing International Assistance for Rural Development - JCRR Approach in Taiwan," (Taipei, 1966), Mimeo., 14-15.

⁷Clifton R. Wharton, "Strategies for Rural Development," (New York: October 1966), Mimeo, 12.

by public and private institutions in the host country geared to effective developmental action at the decisive level of the farmer himself. The institutional transmission belt fashioned to involve progressively the farmer in the tasks of development by carrying downward incentives, innovations and services and by transmitting upward the felt needs and problems of the farmers has been neglected.

As Wharton puts it:

On the whole, agricultural assistance programs have been problem and project oriented - what is the problem and what project will solve it. Execution is usually from the top down: we must tell the peasant farmer how to farm better. We identify their problems and then we initiate programs and projects to meet their problems. Actually, the reverse should be the procedure. We should help the farmer find out what they require to farm better and then develop projects which will service the farmers' needs and problems as they have identified them. The approach should be from the bottom-up and the focus should be upon the people.

"Top-Down" and "Bottom-Up" approaches are not always mutually exclusive for there are areas where both approaches should be followed in a complementary fashion. My criticism is that "bottom-up" efforts have been seriously neglected with disastrous consequences--both economic and political. ⁸

The significance of this study rests in large part upon its persuasiveness in stimulating a more experimental and innovative spirit in approaching the aid-relation in the rural sector of recipient societies, particularly with regard to fostering a more dynamic institutional setting for agricultural development.

⁸Ibid.,10.

CHAPTER II

THE JCRR EXPERIENCE

1. Historical Introduction

The idea of a joint Chinese - U.S. agency administering American assistance to China's rural sector was conceived largely by the Nationalist Chinese on the Mainland in the post-World War II period. In late 1945, a China - United States Agricultural Mission was organized at the initiative of the Chinese Government to survey the needs of rural reconstruction and development in China and to recommend a program addressed to these needs. This Mission, composed of 13 Chinese and 10 American specialists prepared a Report on China's war-ravaged rural sector which was published in May 1947. The findings and proposals of the Report precipitated the discussions that culminated in the establishment of the Joint Commission on Rural Reconstruction.

The prime mover in creating JCRR was Dr. Y. C. James Yen, pioneer of the Chinese Mass Education Movement. Yen drafted the memorandum in 1948 proposing the setting-up of JCRR and then played an influential role, along with Congressman Walter Judd of Minnesota - a former medical missionary in China - in obtaining the passage of the China Aid Act which provided for JCRR as one of its implementing arms. The Act was passed by the 80th Congress in April 1948 and in August of that year JCRR was formally authorized through an exchange of notes between the two governments. On October 1, 1948, JCRR was inaugurated in Nanking under the Chairmanship of the late Dr. Chiang Monlin, long-time Chancellor of prestigious Peking National University.

JCRR's programs on the Mainland, impressive as they were, were shortlived. In August of 1949 with Communist victory on the

Mainland imminent, JCRR moved its headquarters and staff to the Province of Taiwan.⁹

2. Profile of JCRR

JCRR's charter, derivative from a Sino - American agreement, permits it to operate on a semi-autonomous basis. Functionally, it is located outside of government lines of authority, both Chinese and U.S., and therefore able to receive and approve projects directly from rural organizations, public and private. The Joint Commission is however subject to the policy direction and fiscal surveillance of the two governments as represented by the Premier of the Government of the Republic of China (GRC) and the Director of the U.S. Aid Mission (now the U.S. AID Representative) to China.

The structure of the JCRR is based upon jointness. It is headed by a bi-national commission, originally composed of three Chinese and two American commissioners appointed by the Presidents of the two countries, and now of two Chinese and one American. The Commission exercises its authority through unanimous decisions.

The staff of the Commission included an American component which varied in size from year-to-year, generally in the range of eight to ten. The largest at one time was fifteen. Some of the Americans were Division Chiefs; the majority however were subject-matter specialists working on the staff. The size of JCRR has changed considerably over the last two decades. In 1948, JCRR began operations with four divisions and a staff of 40. The high watermark of 11 divisions and around 250 persons was reached in the early 1960s. At the present time, the Commission is down to 9 divisions and a staff of about 180 persons, including 90 technicians.

⁹ For a detailed description and analysis of JCRR's first year of operations on Mainland China see JCRR General Report - 1 (Taipei, May 1950). For brief descriptions of this same period with particular emphasis upon JCRR's early accomplishments, see Albert Ravenholt, "Formosa's Rural Revolution," American Universities Field Staff Report (March, 1956), 19-21; John D. Montgomery, Rufus B. Hughes, Raymond H. Davis, "Rural Improvement and Political Development: The JCRR Model," Papers in Comparative Public Administration, No. 7, American Society for Public Administration (Wash., D. C., July 1966), 7-8.

The China Aid Act of 1948 stipulated that 10 percent of the economic aid funds made available to the Republic of China could be used to support JCRR programs. Within this prescription, the projects and overhead of the Joint Commission have been funded totally by U.S. aid-generated local currencies and aid allotted U.S. dollars. Since 1950, JCRR has disbursed on Taiwan and the off-shore islands of Matsu and Kinmen an approximate US\$ 136 million, of which US\$ 7.1 million were appropriated for U.S. procured commodity and technical assistance, and the balance of 95% Taiwan local currency generated from U.S. commodity imports. About two-thirds of the local currency have been grants to support public service and innovative type projects while one-third has been loans for capital investment projects with revenue producing or income generating capacity. The major categories to which JCRR resources have been allocated include Water Use and Control (31% of the NT\$ and 36% of the US\$), Crop Production, Agricultural Credit, Agricultural Extension, Rural Health, Fisheries, Forestry and Soil Conservation and Livestock Production.

JCRR functioned through a markedly flexible and free financial and programming authority. The controls exercised by the GRC and the U.S. Aid Mission were limited for the most part to review of the overall budget year program and intermittent post reviews of program performance and results.¹⁰ The logic of jointness strongly implied the need for this freedom and flexibility.

JCRR's program format is the project. The profusion of its projects over the years blurs the fact that the Commission, while giving primary attention to the micro-setting of "production-action" projects particularly through the early-to-middle 1950s, became increasingly aware of the need for a reasonably systematic planning effort for the overall rural sector in Taiwan. The projects JCRR supported were selected, on the whole, because they made sense within a "sequenced" development strategy reflected in a series of agricultural Four-Year Plans beginning in 1953.¹¹

¹⁰ Memorandum of Understanding Between the Economic Cooperation Administration and Joint Commission of Rural Reconstruction in China Defining Their Respective Spheres of Administrative Responsibility, (1948), Mimeo.

¹¹ See S. C. Hsieh, "Utilizing International Assistance for Rural Development - JCRR Approach in Taiwan," (Taipei, 1966), Mimeo, 13-14.

JCRR is not an operating agency. Its staff works through and with public and private agencies at all levels. Project recipients are agencies which solicit JCRR's technical and capital assistance, assume responsibility for project execution and match JCRR's financial contribution on an agreed basis. Since the beginning of the Commission's operations on Taiwan, sponsoring agencies have contributed about 49 percent of the total financing of JCRR-sponsored projects.

The organizations which have been the beneficiaries of JCRR resources are many and varied - well over 700 and ranging, for example, from the Provincial Department of Agriculture to Township Forest Protection Associations.

JCRR-supported projects differ in magnitude and content, e.g. an island-wide rate extermination program and assistance to a single Township Farmers' Association for the renovation of its warehouse. Since 1950, the Commission has approved approximately 6,500 projects covering the landscape of rural Taiwan. These projects reflect an approach of pragmatic and piecemeal problem solving, of directly responding to needs which have been generated upward by the farmers themselves, and of sifting project proposals through a rather spacious filter of development priorities.

The role JCRR has played in Taiwan's dramatic rural development¹² has been recounted elsewhere,¹³ though not subjected as yet to the careful analysis it deserves. No doubt, this role has been of central importance; however it is pertinent to this paper to the extent that it sheds light upon the major features of the JCRR experience and its relevance to other country settings.

¹²The average annual growth rate of agriculture in Taiwan, 1953-1964, the 12 year span of the three completed Four Year Agricultural Development Plans, was 5.84 percent. See JCRR General Report XVI, (Taipei, 1965) 1.

¹³Montgomery, op. cit., 9-12; S.C.Hsieh and T.H.Lee, "Agricultural Development and Its Contributions to Economic Growth in Taiwan," Joint Commission on Rural Reconstruction Economic Digest Series: No.17, (Taipei, April 1966); S.C.Hsieh, "Impact of U.S. Foreign Aid on Taiwan's Agricultural Development 1951-64" (Taipei, 1965), Mimeo; T.H.Shen, Agricultural Development on Taiwan Since World War II., (Ithaca: Comstock Publishing Company, 1965).

3. Major Features

Philosophy. It is an irony of the JCRR experience that the rural development philosophy of the Commission's most prominent advocate and founder, Dr. James Yen, was progressively put aside in the initial programs on the Mainland and then largely jettisoned once JCRR launched its intensive action programs on Taiwan.

Dr. Yen was the early protagonist within JCRR of an "Integrated Program of Rural Reconstruction" in large part modeled after his experiments with the Mass Education Movement in China. This program was defined as "the application of a coordinated attack on the multiple problems of a chosen rural community, the solution of which may require political, economic and social changes that will effect the life of the whole community, with a view of bringing about a new social order for the betterment of rural life."¹⁴ The core idea was to mount in pilot local communities a set of related activities such as adult education, land reform, agricultural extension, rural health and local administration improvement, to be implemented more or less simultaneously, with the objective of galvanizing through the reinforcing action of the activities major forces of social modernization and uplift.

Although this integrated community development strategy was not without its successes, especially where land reform was an effective element of the pilot program such as in Fukien and Szechuan Provinces, JCRR thinking and action soon gravitated to a less grandiose, project-oriented approach.¹⁶ The administrative arms of the former strategy, the Social Educational and Integrated Program Divisions, were never activated and the JCRR working philosophy which unfolded on Taiwan began to assume clearer shape.

The chaotic security and political conditions on the Mainland restricted possibilities of applying Dr. Yen's community development concepts. However, the sidetracking of these concepts involved more than expediency. Involved was a more basic difference among JCRR staff on how to approach rural development. This difference is apparent in many parts of JCRR's first General Report¹⁷ and was recently

¹⁴JCRR General Report - 1, 101.

¹⁵Dr. Yen's ideas and programs are antecedents of the post-World War II community development movement in the LDCs. The U. S. aid-supported community development programs in India and the Philippines are seminally related to Dr. Yen's work.

¹⁶JCRR General Report - 1, 102.

¹⁷Ibid., 5, 101-102, 104, 111.

reiterated to this writer by present JCRR officers, particularly in referring to the noted lack of success of the model community development projects which the Commission sponsored on Taiwan. In this regard, Professor Gayl Ness of the University of Michigan has pointed out that "in its experience (JCRR) attempted to foster local community organizations of the type that lie at the heart of the Indian and Philippine programs. When these local organizations were found unwanted by the peasantry and found not to be necessary or integrally related to increased productivity, they were generally dropped from the activity of the JCRR." 18

The philosophy of rural development which has dominated the JCRR program, though perhaps not directly counter to Dr. Yen's concepts, certainly takes one down a different strategic road. This philosophy was premised on the imperative of responding to the common felt needs of the farmers themselves. "One of the basic ideas of the Commission was to learn from the farmers and the local people what they want and need instead of trying to teach them and tell them what they need. . . . By trying constantly to find out what the farmers' wants and needs were, the Commission was able to provide the assistance which was most effective. For regardless of how good the intentions may be and how sound the program, anything which was to be superimposed upon the people without their response would have been defeated."¹⁹ Second, the Commission conceived of its major task to be that of increasing agricultural production and improving living conditions through the income incentives resulting from this production, for the cutting edge of its experience soon indicated it is here that the needs and desires of the farmers were strongest. It was clear, however, that there must be an equitable distribution of the accrued benefits of increased production. The Commission thus brought to bear upon its project selection the broad principle of distributive social justice. Priority was given to those projects which would benefit the greatest possible number of people. JCRR's central role in the successful land tenure reform program on Taiwan, for example, was hand and glove with its principle of social justice. Last, the JCRR philosophy has been pragmatic rather than preconceived and doctrinaire, purposely crystallized in a simple project format so as to facilitate rapid and piecemeal problem-solving in the different micro-environments of rural Taiwan. However, in its pragmatism, the ground or standards which the Commission used in reconciling, or in specific cases choosing between, the principles of social justice and income generation in project selection and broader program policies have never been very clear.

18 "Notes of the Strategies of Development: Community Development, Local Government, and Development Programs," preliminary unpublished draft, (1965), 5.

19 JCRR General Report - 1, 11.

Jointness. JCRR, unlike the traditional U. S. foreign aid mission, in particular its Food and Agriculture Division, became in practice a component of the host country institutional system through which rural development was planned and executed. The integral role JCRR played resulted from its bi-national and semi-autonomous status which allowed it - given the stature and respect accorded it - to relate and coordinate inter-agency agricultural programs without being formally designated to perform this function.²⁰

This "institutionalizing" of U. S. aid through the Joint Commission permitted a most effective utilization of the American technician. In effect, U. S. rural and agricultural expertise was integrated on the line. The contribution of U. S. technicians was not limited to advice alone; their involvement in decision-making was deep and meaningful. JCRR's closely knit staff of U. S. and Chinese technicians provided a fertile climate for the transfer and adaptation of American technology and the devising of innovations valid for the Chinese situation. The Joint Commission provided an institutional form within which American innovative skills contributed quickly and effectively to ongoing programs."

The present JCRR Chairman Dr. T. H. Shen, who has been a Commissioner since the inception of JCRR, recently remarked that the "JCRR idea" was to put the American commissioners and staff into an "operational environment", to expose them to as many members of Chinese agricultural and rural agencies and groups as possible so as to maximize the opportunities of testing, adapting and multiplying their expertise. The shortcomings of the restrictive one-to-one, advisory counterpart arrangement, typical of the aid relationship in our rural technical assistance programs, were largely circumvented in Taiwan. It should be added that the difficulties of this arrangement are more injurious to American technical effectiveness in agriculture than, say, industry since the environment of agriculture generally is more diverse and fragmented with smaller units of production and larger numbers of local decision-makers.

A concomitant of jointness would appear to be a relatively small organization designed to give free play to the advantages of jointness, permit effective and rapid adjustment of the institutional form in response to new and different problems and facilitate flexibility of operations. JCRR always has been a small organization compared to the complex of institutions it has influenced, moved and assisted.²¹

²⁰See unclassified airgram, TOAID-A 622, 1/4/65, Community Development Report by Gerald Huffman, JCRR Commissioner, 2; Hsieh, "Utilizing International Assistance for Rural Development - JCRR Approach in Taiwan," 5.

²¹For a perceptive discussion of the advantages and disadvantages of jointness, see Montgomery, op. cit., 28-31.

Functional position of JCRR. The Joint Commission has been described on numerous occasions as the equivalent of a Ministry of Agriculture of the National Government, performing the functions of national planning, budget allocation, policy formulation and central control ordinarily associated with a ministry. However, this comparison is at least in part false and certainly misleading.

Functionally, JCRR has been a "floating" organization which works as the occasion demands in cooperation with and in support of rural agencies at all levels of government - from the agricultural planning groups of the Ministry of Economic Affairs to the township agricultural offices - but without formal authority over or formal connection with any of the agencies. JCRR's functions, programs, and organization never have been regularized or rationalized within or with the host government bureaucracy. Rather they have changed sharply with changing problems and priorities. At appropriate times over the past decade when functions being performed by JCRR had become self-sustaining and routine, Divisions, e.g., Land Reform, Extension and Agricultural Information were abolished and their staffs transferred to Provincial Departments. In turn in 1960 with the development of an expanded supervised credit program, JCRR established a new Agricultural Credit Division.

Although not external to the system given its joint-staff character, JCRR has not controlled, duplicated or displaced regular host country agriculture institutions. Its position does not have a specific locus at the center or at a lower level. Essentially, JCRR's role has been that of a flexible innovator and catalyst, addressing its resources and energies to multiple points of the institutional structure of rural planning and programs in Taiwan and seeking to mobilize, link and coordinate the lines of action and communication in this structure from the top-down and the bottom-up toward the end of concerted rural development. As Commissioner Huffman put it, "The JCRR's rural development approach was to work horizontally across a wide span of needs and interests of Taiwan's rural society and to work vertically up and down the hierarchies of many agencies and organizations, public and private, which had a contribution to make to total rural progress. U. S. aid funds, technical assistance and leadership consultation were provided in many cases to make existing agencies and organizations more effective."²²

This position of the Joint Commission carries with it the clear implication that the Commission is a temporary institution meeting temporary needs, albeit over an indeterminate period of time but eventually ripe for termination and the absorption of its functions in permanent institutions.

There is little doubt that the view of JCRR as a temporary institution is shared by Chinese and U. S. government officials. At the time of the termination of the U. S. Aid Mission to the Republic of China in June of 1965 and the creation of the Sino-American Fund for Economic and Social Development to utilize residual U. S. aid-generated local currencies after phaseout, the future existence of JCRR was appraised. It was decided that JCRR still had a vital though more limited role to play in the rural development of the province. This role, defined in an Annex to the Exchange of Notes establishing the Fund, narrows JCRR's purview largely to advisory services to the GRC on the long range planning of agricultural development, R and D on new products and agricultural productivity problems, and serving as a coordinating agency of overseas Chinese assistance programs in agriculture. The Annex made clear that JCRR's activities were to be additive to the functions of regular government agencies and be designed so as to facilitate the latter's increasing assumption of responsibility. The rationale for phaseout is explicit. The question of timing, which raises a host of administrative and political problems both between and within the two governments, however, was mooted given the prior decision to extend the Commission's life. The future of JCRR will be assessed again in 1970 when the Fund agreement itself is subject to review by the two governments.²³

The Sponsoring Agency Approach to Aid Allocation. With a few exceptions, e.g., small experimental projects where there was no appropriate executing agency, JCRR has depended upon a diverse array of public and private organizations for the implementation of its project-oriented program.²⁴ The sponsoring agency approach is the strategic arm of the Commission's felt-need philosophy. The Commission's assistance has been based in considerable part on the value of working through and with "grassroots" organizations in direct contact with rural people, to strengthen the capacity of such organizations to serve rural needs and sustain their programs after assistance is terminated.

The Servicios in Latin America, another form of joint administration of U. S. economic assistance, provide a real contrast with JCRR in the area of operating procedures. The former, terminated largely at U. S. initiative in the early 1960s after a controversial history, were indeed operating agencies. Although they varied in structure and functions, Servicios were similar with respect to organizing their own projects and not depending on existing host government rural institutions to carry them out. For the most part,

²³ See JCRR General Report XVI, 127-128.

²⁴ About 96 percent of JCRR-supported projects have been carried out by sponsoring agencies.

Servicios were their own implementing organs.

Servicios were criticized by American evaluators for their preoccupation with operations, particularly for neglecting in the process their institution-building and technology transfer responsibilities.²⁵ The soundness of this criticism is not in issue here. The relevant point is the contrast between the two forms of joint administration and the fact that JCRR was able to avoid the pitfall of self-perpetuating project operations through the prescience of its leadership but also as a result of the comparatively high level of manpower skills and the organizational foundation, the heritages of Japanese rule, which it was able to tap and build upon in Taiwan.

The Joint Commission's semi-autonomous position and specifically the extension of this position, its sponsoring agency approach, raise the question of competition and conflict between the government bureaucracy and the Commission. The potential for rivalry certainly existed given that this approach involved bypassing agencies such as the Provincial Department of Agriculture and Forestry and the Provincial Farmers' Association and working directly with lower-level organizations, in many instances, formally under the supervision of the former. However, conflict materialized only on the margin, largely during JCRR's early years when there was spotty opposition in government circles to its free-wheeling, rapid action ways of getting things done. On the whole, government agencies strongly and consistently supported JCRR and indeed looked to it for leadership. There are a few key factors which explain this record of cooperation and harmony. First, there was the selection of leaders. The Chinese Government chose as JCRR Commissioners and Division Chiefs prestigious government officials and/or respected professionals who had the experience and credibility to bridge effectively, and move comfortably on both, the JCRR Chinese-American staff side and the government bureaucracy side. For example, the first Chairman of the Commission, Dr. Chiang Monlin had previously served the National Government as Minister of Education and Secretary General of the Executive Yuan. The present Chairman, Dr. T. H. Shen, had been Director of the National Agricultural Research Bureau before the creation of JCRR. Both of these men, plus many other JCRR officials, had studied in the United States and had worked with Americans for many years. They were able to interpret constructively and meld the American presence and expertise to and with the Chinese government.

Second, JCRR's relations with the GRC benefited from the adage that "nothing succeeds like success." The government after some initial doubts quite perceptibly increased its support of the Joint Commission's local "production-action" projects in light of their success and popularity in rural communities. There was a progressive "jumping on the bandwagon" by GRC agricultural agencies, ironically

²⁵See The Servicio Experience, Technical Assistance Research Project, Maxwell Graduate School of Citizenship and Public Affairs, Syracuse University, AID Contract (June 1965).

more so by the Chinese than Americans in the Aid Mission and Washington, some of whom, seeing the trees rather than the forest, intermittently sought to force JCRR into the mold of unduly restrictive program controls and standardized operating procedures. This misunderstanding of joint operations by U. S. aid officials removed from the joint organization itself also was repeated in the Servicio experience with more damaging effects.

The sponsoring agency approach has produced a number of results which cut to the core of JCRR's success. First, the Joint Commission was able to give life and drama to its principle of distributive social justice. Its "direct line" programming facilitated a deep and broad penetration into the rural structure of Taiwan; in effect to give tangible evidence of its commitment to social justice and indeed to generate results which approximated the principle. In this regard Albert Ravenholt, American journalist and veteran commentator on China, points out:

All of its other efforts might have produced minimal results but for JCRR's guiding decision to make the achievement of social justice of equal importance with increases in productivity. Routine United States aid programs regularly deny themselves the opportunity to mobilize popular response and negate American protestations of democracy by failing to adjust their efforts to the universal hunger of ordinary Asian citizens for a better break in life. In underdeveloped countries, noncritical introduction of new technology particularly favors the "haves" and can aggravate dissatisfaction among the less fortunate. By insisting upon a fairer distribution of the benefits of increased production as a condition of financial and other assistance, the JCRR has avoided this pitfall and won a popular reputation for human concern that facilitates all Commission efforts.²⁶

Second, JCRR succeeded in locating management and operational responsibilities for its projects within the client rural organization in such a way as to engender local incentives for self-help actions quite untypical of the majority of LDC government agricultural programs. Recognition that JCRR would work at any level and with all types of rural organizations, private as well as public, and that the time-consuming, red tape-laden procedures associated with the central government and the U. S. foreign aid mission would be dispensed with, encouraged a striking assortment of community-based organizations to plan their own projects, solicit JCRR's financial and technical assistance and readily assume the burdens of project management and execution.

²⁶ Op.cit., 24.

Similarly, the Joint Commission strategy of working directly with rural groups and agencies, seeking to help the farmers to organize, plan and act collectively, considerably strengthened their capacity to articulate publicly their interests and problems.

Use of the sponsoring agency approach also had the important result of creating an increasing popular demand in the countryside for better public services and an evolving awareness by government leadership of the need for providing such improved services. Achieving this result was a component part of JCRR strategy. This is indicated by the fact that in its early years in Taiwan, JCRR showed a rather marked preference for supporting projects at the lowest feasible level of public and private organization, a tactic calculated to sharpen expectations and demands below and to awaken awareness of these demands above.

A prime example of this tactic was JCRR's role in triggering and supporting the justly famous "green island" movement on Taiwan in the early 1950s - a long-run effort in reforestation directed to the reclaiming and turning to productive uses the mountainsides and highlands denuded during the war and immediate post-war periods. The Joint Commission initially bypassed an ineffective Taiwan Forestry Administration and went directly to the townships and counties to encourage and assist local leadership in launching the program. After performing its galvanizing role in the rural communities, the Commission then turned its attention to the Forestry Administration, providing it with considerable technical and capital assistance over a period of years.

Agricultural Planning. On the Mainland and Taiwan up to roughly 1953, JCRR gave only the broadest kind of attention to long-range planning. The Commission's perspective primarily was short-range, directed to reconstruction and the achieving of more or less immediate and tangible results.²⁷ The aims were to get agricultural production on the upswing, rebuild and redirect physical and organizational infrastructure, launch land reform, and secure the confidence and participation of the rural masses. Thus, JCRR stressed projects in crop improvement (seed varieties and multiple cropping), rehabilitation of irrigation and flood control facilities and of warehousing and milling facilities, extension techniques and practices, rural health facilities, etc. Some initial consideration was given to the requisites and priorities of a "strategic pattern of sequenced development," however only at a high level of generality

²⁷JCRR General Report - 1, 1, 6, 8.

and focused almost wholly on "phase-oriented project activities."²⁸

It was during this period, extended to the middle 1950s, that JCRR achieved its greatest successes with land reform, multiple cropping, reforestation, etc., and also achieved its reputation as a dynamic organization committed to results rather than plans and to local service rather than central controls. Perhaps the image was somewhat overdrawn. Leastwise, the Commission's interest in, and tooling-up for, longer-range agricultural planning followed close on the heels of its impact-oriented programs as Taiwan's rural sector developed, diversified and generated different problems and needs, and its permanent rural institutions expanded and became increasingly effective.²⁹ Particularly since the early 1960s, JCRR's planning functions have assumed greater significance.

Beginning in 1953, the GRC has mounted three four-year agricultural plans and is now well into its fourth, 1965-68. These plans are developed under the leadership of the Agricultural Production Committee (APC) of the Council for International Economic Cooperation and Development (CIECD), a planning and foreign aid administration organ of the GRC.³⁰

The Convenor of the APC is the Chairman of the Joint Commission and the Chief of the Commission's Office of Planning serves as its Executive Secretary. APC consists of eight working groups dealing with the various phases or areas of agricultural production such as food crops, water resources, forestry, livestock and fisheries. Members of the groups, ranging around 100, include representatives of the Provincial Department of Agriculture and Forestry, the Provincial Farmer's Association, JCRR Commissioners and Division Chiefs, College Professors, U. S. aid officials and officials from concerned GRC ministries.

The four-year plan is shaped through the work of these groups with the across-the-board support of JCRR's Office of Planning. The plan flows from aggregate projections of agricultural growth and concomitant development objectives and production goals. These goals

²⁸ Hsieh, "Utilizing International Assistance for Rural Development - JCRR Approach in Taiwan," 3, 13-14.

²⁹ Ness, op. cit., 6-7

³⁰ Up to 1963, APC was known as the Agricultural Planning and Coordinating Committee (APCC) and was located within the Ministry of Economic Affairs.

and projections are in the first instance based on historical production patterns and yields as modified by several factors: e.g., expected changes in response to projected market demands; new production practices, varieties and other physical inputs which have been developed by research institutions, tested by experiment stations and extended through demonstration.

The present Chief of JCRR's Office of Planning points out that in formulating and implementing the four-year plans "linear operational coordination" among government agencies, agricultural enterprises and farmers' organizations at all levels is required.³¹ Indeed, the eight working groups collaborate closely with descending levels of planning committees down to the villages. Meetings are held step-by-step down the line and production figures are often revised or adjusted. This characteristic "top-down-bottom-up" participation insures that the Plan will approximate production potentials, that proven production innovations will be disseminated to producers and that the means for production, including physical inputs, credit and other farm services, will be available when needed.

Agricultural planning in Taiwan clearly is not unduly centralized. Detailed uniform planning of targets and fiat imposition of elaborate controls to monitor and enforce the plan from the center are alien to the process. Ample leeway is given to primary producers and their local organizations to cope with and manipulate their different micro-environments. Within a broad sector framework of development, production decisions are essentially localized. For example, the overall plan provides for regional plans for areas with different production conditions. Further, the actual field-of-activity projects tributary to the plan are largely developed at village, township and provincial levels, in many cases by the planning committees responsible for coordinating and/or carrying out the projects.

JCRR personnel are deeply involved in this agricultural planning process. The style and structure of the planning are, for the most part, their creation.³² However, the Commissioners and their senior staff participate in the process as experts, not as JCRR officials. This is not to minimize their influence but rather reflects the fact that the national Four Year Agricultural Plan and the JCRR Program are not the same. The latter is developed within the framework of the former. JCRR's role is that of the problem solver, providing its services where circumstances dictate, whether it may be the expertise to work out the planning structure itself, or the capacity to broker out conflicting interests between producer organizations and public agencies, etc.

³¹W. M. Ho, "Planning and Programming For Agricultural Development in Taiwan," Taipei (June 1965), Mimeo, 22.

³²Y. S. Tsiang, "The Joint Commission on Rural Reconstruction", (June 1964) Taipei, Mimeo, 11.

The Commission's role in agriculture planning, and concomitantly its intimate involvement in policy formulation and execution for the entire agricultural sector, again distinguishes it from its lineally related institution in Latin America, the Servicio.³³ The typical Servicio performed little if any planning functions. Rather, it concentrated on the initiation and operation of an array of individual projects, perhaps related to broader host government development priorities.

Farmers' Associations. An excellent example of JCRR's role in the rural development of Taiwan has been its support of the Farmers' Associations (FAs). The Commission recognized that to honor its charter of development with justice there had to be institutional means by which genuine and voluntary participation and self help would become part of the warp of rural life. The FAs established by the Japanese in the early years of the century were the principal means chosen by JCRR for this purpose.

The condition of rural and farm organization in Taiwan in the post-war period was one of disarray, fragmentation and undue control by non-farmer interests, mainly landlord and commercial. The FAs had in effect gone through a previous metabolism of growth and deterioration: a growth and consolidation under Japanese rule purposely wrought to secure control of the countryside by the colonial government; a serious deterioration in the strife-torn late war and post-war periods during which controls largely passed to non-farmer elements.³⁴

The FAs were an integral part of Japan's authoritarian politico-economic structure on Taiwan, which though imperiously molded and used to serve Japan's own interests and policies; was less oppressive and more productive than its colonial counterpart in Korea. The Japanese prescribed detailed regulations for the organization and operations of the FAs. Membership responsibilities were strictly enforced. Recruitment and the collection of fees were compulsory. Management positions were appointive with the high majority being held by Japanese. Taiwanese purposely were not trained for such positions. The departure of the Japanese from Taiwan at the end of the war left a serious void in leadership at the top level of the FAs.

In 1952, after a period of piecemeal and confused attempts at reform and revitalization, JCRR precipitated a government-sponsored program to reorganize - streamline and democratize -

³⁴ See M. H. Kwoh, Farmers' Associations and Their Contributions Toward Agricultural and Rural Development in Taiwan, (2nd. ed.; Taipei: FAO, August 1966), 4-8.

³³ See JCRR General Report - 1,2.

the FAs, as well as agricultural cooperatives, into a single federated system of multi-purpose, farmer-member controlled associations. In 1953, the GRC approved a new Farmers' Association law incorporating the basic features of reorganization recommended by JCRR. These recommendations were derived from the Report, Farmers' Associations in Taiwan written by W. A. Anderson,³⁵ a rural sociologist from Cornell, who was a consultant on JCRR rolls during this period.

Briefly, the new law instituted elections by secret ballot, redefined membership so as to insure farmer control of the FAs and prescribed a host of organizational reforms, particularly designed to rationalize management functions as against policy formulation and control functions in the FA system and to revitalize the role of the village agricultural unit in the township FA.³⁶

Today there is a network of FAs composed of provincial (1), county/city (22), township (341), village agricultural unit (4,872) and members - one per farm household (830,425). Farm households in the villages group together in small agricultural units. There are, on the average, 14 such units in a township, 174 members in each unit, and 2,435 members in each township association. These village units, which with few exceptions, are lively elements of the local FA, elect representatives to the association and provide the last and decisive link in the network down to the primary producer.³⁷

The FA system provides a single structural pattern through which agriculture and rural life in general can be improved. In effect, the system is the institutional transmission belt designed to catch up the farmer in the development process by transmitting downward services, incentives and innovations and conveying upward felt needs and problems.

The effectiveness of the FA system depends upon its capacity to provide an integrated package of services to the farmers at the right time and place. This capacity centers at the local level of the township FA. The network itself is a rather loose federation with operating powers largely dispersed to the township units and control/supervisory powers distributed up the line.

The organization and operations of the township FA have been retailored specifically to furnish this package of services to the member farmers efficiently: that is, to furnish on a timely basis

³⁵(Taipei, December 1950), Mimeo.

³⁶See Anderson, ibid., 63-70.

³⁷M. H. Kwok, "Brief Statement of Farmers' Association in Taiwan," (Taipei, April 1966), 1.

economic services such as the purchase of production inputs and the processing, warehousing and marketing of produce; financial services such as production loans and savings deposit facilities; and extension services of a wide variety.

The role played by the Joint Commission in the resurgence of the FAs involved considerably more than planning and backstopping their reorganization. To select from numerous examples - JCRR pushed and supported a major training program of FA management personnel after it became clear, soon after the reorganization, that due to their lack of experience, ill-prepared managers and section chiefs were rendering many of the FAs ineffective. The Commission also supported a badly needed program of renovation and construction of FA storage and processing facilities. And most important, JCRR technicians stimulated extension programs at the grass roots by pioneering myriad extension activities in the township FAs and by training and working with the FA agents so that they became the principal conveyors of technical know-how to the farmers.

Agricultural Research. There are over thirty organizations in Taiwan devoted to agricultural research and experimentation, the majority of which are field operations, such as the seven District Agricultural Improvement Stations of the PDAF, specializing in adaptive research. JCRR has consistently given priority to the work of these organizations, seeking primarily to generate problem-solving research reflecting the changing needs of the farmer. The aim has been to develop a research network with the capacity to provide the continuing flow of technical knowledge and innovations required to increase and diversify production for domestic consumption and export and to increase the income of the rural population.

Close attention has been given by the Commission staff to the type of research activities supported in order to assure that they are relevant to the indigenous character of Taiwan agriculture, that is, to a pattern of small farm agriculture whose resources favor land and capital-saving and labor-using farm enterprises. In recent years, the Commission's interests have gradually turned more to basic and longer-term research since the rapid modernization and diversification of the province's agriculture are creating a specie of problems largely removed from the production conditions and technical options of the prior decade.

The "mushroom story" is a striking illustration of the innovative role JCRR has played in the field of research. Early in the 1950s, JCRR's technical staff began to work on the possibilities of introducing artificial mushroom cultivation to Taiwan. Temperature conditions were excellent for mushroom growing and most of the needed materials such as spawn, fertilizers and bamboo were locally available in abundant quantity at little cost. Given that mushrooms could be grown in vacant rooms of farmers' homes or in bamboo sheds, their cultivation as a side-line cash crop appeared to be a natural. However, there was a major problem to be solved: the lack of local supply of the conventional ingredient horse manure.

In 1954, JCRR financed - in the amount of \$594.00 equivalent- and assisted the Taiwan Agricultural Research Institute in a project for the testing of various, locally available substitutes for horse manure. "Many were skeptical of the Commission's decision to spend time, effort and funds on such an insignificant activity. It was referred to as another piecemeal project of JCRR." 38 In spite of this characteristic criticism, the end-product of this project was a synthetic compost of chemical fertilizers and rice stock, or alternatively wheat or citronella grass stocks, within which mushroom culture flourished. The mushroom industry soon developed out of this pilot project.

FA extension agents were trained in mushroom culture at the District Improvement Stations. The agents in turn disseminated the new technology to interested farmers in 20-member discussion groups and through demonstration plots and field days. The production planning and marketing for the new industry initially were tested on a small scale. Problems of effective quality control for growing and processing were systematically dealt with, and a multitude of other problems and elements of the industry worked out. From nothing in the 1950s, mushrooms developed into a major Taiwan industry in the 1960s. By 1963, an approximate 50,000 farmers were growing mushrooms with another 25,000 people involved in the processing and commercial ends. In 1963, export earnings from canned mushrooms were \$16 million; in 1966, they had jumped to \$25 million. The Commission is indeed proud of the story which was opened by one of its inconspicuous and small "innovative-type projects."

Political Development. JCRR has been a most effective institutional medium for the utilization of U. S. aid as a catalyst for expanded involvement of local agents and decision-makers in the development process.³⁹ Perhaps the most lasting and significant element of JCRR's contribution to Taiwan has been its role of furthering the spread of economic pluralism on the land, of progressively involving larger numbers of the farming population in the throes of modernization. However, the economic factor is but one variable in the process of change and development. Political and social factors are also causal to and derivative from the character of development.

There is one aspect of the complex process of development in the Taiwan setting which deserves attention: the politico-social effects of rural change and the role of JCRR.

³⁸Tsiang, op. cit., 12.

³⁹See Ness, op. cit., p. 9-11.

The proposition can be persuasively argued that the goals of Dr. Yen's program strategy - developing the whole man and the whole community through intimately related social, economic and political activities - are being realized but through the use of more piecemeal economic programs and production-oriented tactics, qualified by the interplay of a broad standard of social justice. For it is evident that the economic growth being achieved is producing, or helping to produce, wholesome, spin-off effects of a political and social development character in many rural communities of Taiwan.

These effects can be partially seen through the Farmers' Associations. The increasing affluence of many of the FAs has permitted them to finance and otherwise support a variety of township community development projects such as schoolroom construction, scholarship funds for the poor, and road and bridge renovation. In several FAs, this type of community activity is now a regular part of the budget. Further, the FAs have become the administrative and political training grounds for the growing number of local leaders being produced chiefly from the ranks of the more prosperous and respected farmers. In this regard, the FA Board of Directors is gradually becoming younger and better educated in composition. Similarly, the more vigorous discussion groups in the village units have evolved into good forums for civic participation - for the voicing of dissent and the building of consensus, on local issues. There is little doubt that the FA has become an increasingly active and effective focal point for the representation and articulation of farmers' interests.

Also, the FAs reflect the improved state of political relations between the national government and the rural population which has evolved over the years, certainly in part as the result of the latter's relative prosperity and their participation in the island's economy.

JCRR clearly supports the growth of a responsible rural citizenry which has the capacity for democratic participation in public affairs. It will point with satisfaction in this respect to the very considerable contribution the FA system is making with its procedures of popular representation and secret elections. For example, a Commission officer has pointed out that "although they are organized primarily for social and economic development in rural areas, the farmers' associations offer the best opportunity for training local leaders in parliamentary procedures and in self-help activities. . . . (In 1964) five of the sixteen magistrates, one of the five majors, eleven of the seventy-four members of the Provincial Assembly, over forty percent of the township office heads, and thirty percent of the members of the county and city assemblies were former elected officers of the farmers' associations."⁴⁰

⁴⁰Kwoh, op. cit., 74.

However, JCRR traditionally has been opposed to FA involvement, as an institution, in local and provincial politics, to the FA being used as a source of strength by local factions to increase their power and further the political ambitions of their leaders. The Chinese Government's antipathy to the FA getting pulled into politics is considerably stronger. Notwithstanding this opposition, the growth in economic power, influence and popularity of the FAs and their open democratic structure, have led to a pattern of involvement of this kind. This pattern is reflected in the common occurrence of FA officials concurrently holding elective office in legislative bodies. At the present time, over 800 FA officials - principally Board of Director members and General Managers - are also representatives in the Provincial, County and Township Assemblies. Five Speakers and six Vice-Speakers of County Assemblies are FA officials. The General Manager and three members of the Board of Directors, including the Chairman, of the Provincial Farmers' Association are Provincial Assemblymen. One of the Directors is Chairman of the Agricultural Committee of the Provincial Assembly.

It is clear that the FA is being used as a stepping stone and a source of popular support by local political leaders, and that it is more or less involved in the politics of its constituency. In a few cases, there are "FA factions" on Township Councils. It is the fear of some JCRR officials that since the local FA likely will be financially stronger than the township government, political involvement will lead to the "diversion" of FA resources to "pork barrel" activities alien to its charter responsibilities.

It should be stressed that the rural politics of Taiwan, particularly as focused on local issues, has evolved for the most part along democratic lines. The image of a totalitarian Kuomintang enforcing its organization and will upon the countryside is largely a fiction, perhaps a useful one for the KMT's detractors but nonetheless a distortion of reality. There is indeed ample room for maneuver and contest. The KMT's role is essentially that of a broker between local factions, seeking to preserve power balances and reasonable harmony on the rural political scene. It is not uncommon to have two local KMT members running for the same position. This reflects the fact that the indigenous factions, which derive in part from traditional regional differences and in part from past landlord families and their supporters, generally are the basic political unit on the land rather than the party of the national government.

To arrest the trend of FA political involvement, the Provincial Government issued a regulation an approximate two years ago directing that FA General Managers and Staff could no longer hold elective office concurrently with their FA positions. This regulation, which will be activated at the time of elections next year, will affect some 70 FA officials who will have to make a choice if the edict is enforced.

There is room for honest difference as to the merit and need for this regulation. (This writer's view is that it is ill-advised in that it seeks to divorce the limited political expression of rural economic power from its most healthy and responsible institutional source as well as restricting, or making more difficult, the role of the younger modernizers in the development of the province). However, the point here is that this regulation is but one reflection of a significant institutional political development in Taiwan. The FAs today are a far cry from their authoritarian antecedents.

Last, political and social change in rural Taiwan is directly relevant to Congress' instruction to AID in Title IX of the 1966 FAA to promote democratically-based development. For surely U. S. aid through the JCRR contributed to the development of local leaders, energized rural attitudes and capabilities in some part removed from the gravity of power of a politically static central government and kindled a genuine democratic experience.

The political and social effects of U. S. assistance on the rural development of Taiwan warrant more intensive study, specifically with an eye to their Title IX implications. These effects, on their face, lend credence to the feasibility of addressing Title IX objectives within the framework of our country program strategies and through Chapter 7 and related economic assistance initiatives. They also suggest the need of a more systematic sorting out, and relating, of the economic and political variables of development - for example, the mix of variables which bear upon aid-induced strategies of popular participation.

4. The U. S. Contribution

Identifying a distinctive U. S. contribution to the success of the JCRR is at best an approximate exercise given the joint structure of the Commission within which decisions and actions were collective rather than discrete.

Chairman T. H. Shen recently ventured the opinion that the true value of the U. S. contribution was "80% technical and 20% financial." This "opinion" highlights the effectiveness of our technical assistance. However, institutional features such as jointness and the sponsoring agency approach only partially explain this effectiveness. Of equal importance has been the Chinese willingness, indeed their strategy, to provide a spacious field for the penetration of U. S. expertise so as to seed the beds of innovation and adaptation. The contributions of the late Dr. H. H. Love of Cornell University in the development of a rice seed multiplication system, which set the foundation for the great increases in rice production, of Paul Zehngraft, the AID Forester to whom a monument

was erected in Taiwan for his work in reforestation, and of Dr. Anderson in the reorganization of the Farmers' Associations, to mention a few examples, provide striking evidence of the success of this strategy.

There is another aspect of the U. S. contribution which the Chinese depict by using figuratively the terms "microscope" and "telescope". The terms are used to convey the thought that the Chinese members of JCRR used the microscope of a detailed and intimate knowledge of the rural scene to assess the difficult indigenous problems and to support responsive, hard-hitting projects, while the Americans used the telescope of a broader Western experience in modern agriculture to contribute fresh insights to program content and critically exposed it to a more objective and longer-run perspective. Given that the Americans came and went every two to four years, with few exceptions, while the Chinese stayed on more or less permanently, this analogy is a telling one. It is certainly apt for the American Commissioners who were involved primarily in matters of program policy and direction. For example, the broad-based movement of the JCRR program in the early 1960s to support more vigorously the development of domestic agricultural products for export markets was in some significant measure the result of the efforts of the present American Commissioner, Gerald Huffman.

Another feature of the U. S. contribution is the advantage JCRR reaped from the American presence over and above the program and technical competence it provided. The Chinese staff generally was able to resist pressures from a variety of outside sources to support low-priority or ill-conceived projects by alleging or pointing to internal American opposition.⁴¹ It is fair to say that the U. S. presence played an important part in keeping JCRR free from narrow and partisan interests and in maintaining the integrity of its principles and goals.

U. S. assistance, overwhelmingly aid-generated local currencies, has financed all of JCRR's operations from its inception. This financing, very liberal in amount and largely unencumbered of governmental controls, looms large in the background of JCRR's success and the rural development of Taiwan. Hsieh and Lee point out that "JCRR's FY 1961 allocations contributing to agricultural capital formation are about three times as large as the total amount of funds put up for this purpose by the government at all levels including provincial, prefecture/city and township governments, or a little over 50% more than the total investment made by all agricultural public enterprises, ... or about 25% more than funds provided by all farmers' organizations . . . Of the total expenditure for various agricultural improvement projects, JCRR's were NT\$111,137 thousands or about 43% of the total expenditure. . ."⁴² FY 1961

⁴¹This tactic also was exploited the other way by American staff with regard to projects emanating from external U. S. sources.

⁴²Op. cit., 67-68

was reasonably typical in the above regard, though the figures have fluctuated somewhat from year to year, and since the middle 1960s the JCRR percentage contribution to agricultural capital formation and improvement projects has been falling off.

The question of whether the U. S. contribution was more technical than capital, or vice-versa, likely is unanswerable because the two were so bound-up together in practice- one facilitated the other. The important point is the composite contribution. Through a happy combination of circumstances - a Defense Support program which generated ample local currencies, a Chinese will and capacity to use American expertise, and an organizational structure tailored to fuse and activate money and talent on both sides - U. S. assistance was able to make an overall contribution which was broad and diversified in its dimensions and strikingly fruitful in its results.

CHAPTER III

TRANSFER AND ADAPTATION OF THE JCRR EXPERIENCE

1. Approaches

As indicated above, there is no predisposition to posit or, in effect, limit argument in this paper to the subject of exporting the joint institutional form of aid administration necessary modeled on the JCRR. The pitfalls of such a "cookbook" or formula-based perspective, of running into the blinds of "apples and oranges" differences between countries, have come up repeatedly and been discussed in AID/W, the Field Missions and with knowledgeable professionals in other organizations. Rather these talks have led to the conviction that exploring the JCRR experience through a considerably wider lens would be both feasible and fruitful.

The discussion focuses on two related but distinguishable approaches: 1) adaptation and transfer to other country settings of JCRR's joint organizational structure; 2) application of other features or aspects of the JCRR experience to other country settings. The former reflects the literal meaning of Chapter 7 and deserves serious and open-minded attention. The latter lends itself to a more wide-ranging look at prospects and problems of adaptation not necessarily related to jointness.

2. The Joint Agency in Other Countries

The major argument used against applying the joint agency elsewhere is that the aid-relation integral to it simply is not feasible in most countries. Recipient governments would see a joint agency as being an impingement of their sovereignty in that Americans would be unduly involved in policy-making and the line implementation of policies, and in the sensitive rural sector, control of which is normally considered vital by the constituted authority. This argument obviously cannot be dismissed, particularly if the joint agency is conceived so as to function at the central government level where there already exists a Ministry of Agriculture. However, the argument is not so persuasive and limiting as to close the question of transfer and adaptation.

The JCRR experience suggests that the sovereignty problem, if handled carefully by both governments, can be less serious than one might expect. The problem clearly was of a marginal nature in Taiwan. Chinese Commissioners of considerable political standing

and professional experience were appointed and the rule was followed that American technicians were not to be recruited unless qualified Chinese were not available. Also, the Chairman of the Commission always was Chinese and the Commission spoke only through one voice, the voice of the Chairman.

Beyond the effectiveness of these tactics, numerous Americans and Chinese argue further that the Commission's joint modus operandi actually lessened the political problems inherent to an aid-relationship between sovereign governments. Ravenholt points out: "The fact that JCRR is part Chinese saves it from anti-foreign attacks and yet American participation makes the Commission substantially immune to domestic political pressures."⁴³ Others who have been exposed to JCRR operations have observed that joint decisions have the advantage of avoiding or softening popular suspicions that U. S. aid officials are dictating or unduly influencing host government policies.⁴⁴

Most important, the Chinese saw JCRR not as an impingement on their sovereignty but pragmatically as a means of facilitating a greater magnitude and less controlled form of U. S. assistance. No doubt, in their eyes, the JCRR structure put them in the enviable position of being able "to have their cake and eat it too." For the practices noted above calculated to avoid the sovereignty problem, plus the length of tenure of Chinese Commissioners and staff, favored the Chinese in controlling over the long run the policies and directions of the JCRR; while at the same time, the joint structure and semi-autonomous position of the Commission released it from bureaucratic controls and facilitated the effective use of American talent which in turn aided considerably in requesting liberal financing.

By way of contrast, a common criticism of the Servicios was their insensitivity to the prerogatives of sovereignty of host governments. The thrust of the criticism was that the Americans' presence and visibility in Servicios ordinarily were so dominant as to render jointness inoperative and in effect turn the Servicio into an American-run operation. For example, Americans were either Directors or Co-Directors and there were few safeguards, comparable to those used by JCRR, to protect against a U. S. domination which made a "mockery" out of joint operations. Although judgmental comparisons are dangerous in light of the widely varying conditions of Latin American countries and Taiwan, it is still fair to say that the Chinese and Americans handled the sovereignty problem with greater perception and care than their counterparts in Latin America.

⁴³Op. cit., 24. See also, JCRR General Report - 1, 117.

⁴⁴Montgomery, op. cit., 17.

A further aspect of applying the joint agency elsewhere which bears significantly on the sovereignty question, is that transfer and adaptation at the central government level does not by any means exhaust the possibilities. Harvard Professor John Montgomery points out that a joint agency 'could be established in any of a variety of forms In a large nation it could be organized as part of state or provincial governments . . . It could be set up on a subregional basis in some countries (Northeast Brazil for example), embracing several units of government but given its own distinctive sphere of developmental activity." ⁴⁵ Indeed, good possibilities for adaptation may exist at lower levels and in other geographical jurisdictions than the central government. This may be the preferable course to follow in particular countries as a means of avoiding central government sensitivities and facilitating penetration to and popular participation by the rural masses.

In sum, the sovereignty argument is valid in the sense that it limits feasible country alternatives for Chapter 7 initiatives, implying selective and careful application of the joint agency form. The argument, however, does not prima facie shut the door on further imaginative experimentation with this form.

A second argument used against adapting the JCRR model is that "unique circumstances" on Taiwan largely explain the success of the Commission. These include: the plenitude of skilled Mainland Chinese manpower; the previous Japanese contribution in technology, infrastructure and farm organization, leaving a comparatively skilled farm population receptive to change; the magnitude of financial resources made available; a prior background of intimate Chinese-American professional relations; the "expatriate dynamism" of the Chinese leadership; and, the absence of a Ministry of Agriculture.

These circumstances do explain in some measure JCRR's success. Yet, the argument essentially concerns the dangers of attempting a package transfer of the Joint Commission. If the intent is to identify factors and conditions which suggest alternatives and limits of adaptation to different country situations, and suggest avenues for exploiting the "unique circumstances" in these countries, the argument can be relegated to the margin as being worthy of note but not central. Uniqueness relates to countries, not to model institutions such as the joint agency.

⁴⁵Ibid., 6.

The JCRR experience points to certain conditions which would appear to be necessary in some part or combination to the success of a joint agency venture. First, there likely has to be a set of shared U. S.-host country interests and objectives which looms large in the relations between the two countries. Second, a stable government which can afford to limit or devolve its authority is highly desirable. Third, the feasibility of a joint agency is enhanced if there is a receptivity to American technology and ways of doing things on the part of the professional leadership who will be involved or affected. Fourth, there clearly has to be a willingness by the host government to support fully the joint agency. This willingness can best be gauged by the calibre of leaders and personnel appointed to the new organization and the character of the environment in which the organization must function. If the leadership is not high level and respected and if the environment is laced with the interplay of narrow partisan interests, the effectiveness of the organization probably will be compromised soon after it is launched. Fifth, there must be the possibility of positioning the joint agency and defining its functions within the institutional structure of the host country in such a way that the agency can service the needs and build up the capabilities of existing organizations, not duplicate or compete with these organizations.

On the U. S. side, there is the virtual necessity of a long-range commitment of U. S. support. It would appear wise for the U. S. government to entertain the proposal of a joint agency only in those countries where the U. S. has significant long-term interests to preserve and further.⁴⁶

Last, an explicit recognition by the two governments of the need to delegate considerable authority to the joint organization on programming decisions, personnel procedures and general management functions is a sine qua non of success.

3. Application of Other JCRR Features

If the JCRR experience is studied in terms of a general framework of methods and techniques, strategy and tactics, there are large areas of relevance to other countries. The heart of the matter is one of adaptation or specification to other environments, building on the parallels and imaginatively modifying the differences.

Taiwan's outstanding record in increasing agricultural productivity has been achieved in an overall environment of small farms, intensive land use and rapid rates of population growth. This pattern broadly parallels the agricultural environments of the

⁴⁶Ibid., 5.

countries of Southeast Asia.⁴⁷ The likeness suggests that many of the techniques and innovations designed to meet the needs of intensive small farm agriculture in Taiwan would be productive in other Asian countries. For example, the rice culture methods and multiple-cropping system developed in Taiwan for small farm, tropical or subtropical agriculture could be transferred with local modifications.

On the cultural level, JCRR and its sister rural agencies in Taiwan exploited the traditions-old Chinese value that the household head is committed to work as hard as possible so as to accrue the means to sustain and improve the family position from generation to generation.⁴⁸ This posterity-centered value is traditional to the farmers of many other Asian countries and if perceptively cultivated could become a dynamic factor of development in these countries as well.

Similarly, the JCRR philosophy of responding to felt needs and dictates of social justice reflected a clear recognition of the great potential of the rural masses - their ethos, intelligence and energy - as a dynamic development resource. This potential can be activated elsewhere by similar approaches, notwithstanding the type of rural institutions and administrative arrangements - if they are moderately efficient and responsible - for handling external assistance that may be involved. For example, the large cooperative, group action component of JCRR's grassroots projects could fruitfully be put to use in many of AID's present bilateral rural development programs. Likewise, the Commission's inductive, problem-solving approach, illustrated in its programs of adaptive research, bears directly on the program methods and strategies used by aid practitioners and agricultural officials of other countries.

The Commission's sponsoring agency technique also deserves careful consideration for application to widely different situations. Professor Montgomery points out for example that:

Present regulations permit mission chiefs to allocate fairly large sums . . . without prior Washington approval . . . Under this regulation (The Director's Self-Help Fund), the mission chief could decide to apply the sponsoring agency approach through appropriate host government channels, provided special disbursement procedures could be arranged. Such arrangements could be made in selected sectors of a large aid program or in countries where U. S. aid was limited to a single sector, especially where the U. S. was resolved to maintain a "presence" while other countries provided a broader range of aid.

⁴⁷Hsieh and Lee, op. cit., 105.

⁴⁸Ibid.

As in the case of JCRR, sponsoring agencies could include units of national or local government, private enterprises, or other associations and institutions qualified to carry out the selected development projects. In this way public and private agencies at all levels could gain direct access to U. S. aid, which would thus be used to encourage forms of local initiative and to develop institutional competence in areas now seldom reached by U. S. aid operations even though they are potentially important for economic and technical development.⁴⁹

Taiwan's multi-purpose Farmers' Association is a natural possibility for adaptation by other developing countries, particularly where there is a paucity of management talent. Single-purpose cooperatives can be wasteful and inefficient ventures when there are not enough experienced and responsible managers to go around. At the present time, the Malaysian Government is in the process of establishing a FA system adapted from the Taiwan model.

The Commission's stress upon increasing agricultural production involved a keen sensitivity to the complex requirements integral to the successful adoption of ostensibly simple production innovations. Once new production practices were adopted, Commission staff placed a premium upon aiding and coordinating the agencies responsible for seeing that the required inputs were there at the right place, the right time and in the right quantity. The know-how and the will to regularize efficiently these functions are badly needed in the agricultural sectors of Asian countries today.⁵⁰ The techniques developed and refined to carry out these functions in Taiwan merit intensive study:

The above does not exhaust the parallels and possible applications that one can draw on - e.g., agricultural planning, extension, land reform and farm credit. However, the examples are ample enough to illustrate the feasibility of extrapolating the JCRR experience rather than staying in the confines of its unique particulars and causes.

To repeat again, the nub of the matter ultimately is one of adaptation to other country situations, especially with respect to

⁴⁹Op. cit., 6.

⁵⁰See Orville L. Freeman, "Malthus, Marx and the North American Breadbasket," Foreign Affairs, (July 1967), 592.

identifying the positive indigenous factors, institutional and cultural, which can be used to spark development incentives and expectations and organize and convey modern technologies.⁵¹ Here, the JCRR experience clarifies problems and suggests approaches. It does not provide answers.

⁵¹Dr. S. C. Hsieh stresses that "The really tough part of economic development is not fabricating improved technologies but rather the organizational task of recombining human behaviors under new rules that enable more people to help each other in creating and putting to widespread use the more effective technologies." Hsieh and Lee, op. cit., 104.

CHAPTER IV.

OTHER COUNTRY APPLICATION

1. Introduction

This chapter is largely based on a recent field trip by the writer to Southeast Asia which included short stays in Taiwan, Laos, and the Philippines. The suggestions and ideas expressed are tentative and illustrative. The intent is to precipitate a constructive dialogue among practitioners in the Field Missions and Washington on the possibilities of applying parts of the JCRR experience elsewhere, either within the specific terms of reference of Chapter 7 or through program actions more generally related to this provision.

I would add that there is no intent to limit the possibilities of Chapter 7 - related activities to the countries chosen for study. Rather the hope is that the illustrative and selective discussion of Laos and the Philippines will open up or suggest possibilities in other countries as well.

2. Laos

A significant part of the U.S. economic assistance program to the Royal Lao Government is addressed to agricultural development goals. Over the past few years we have been able to place more

emphasis on development activities in light of improved security conditions and a fair measure of political stability. Development alternatives are limited largely to the agricultural sector. 85% of the population are farmers and agriculture is the major contributor to the national income.

Laos agriculture is mainly subsistence in character. Agricultural productivity is low - about 1 to 1.2 tons of rice per hectare. The high percentage of the total rice production is made up of the wet season crop grown and harvested in the period from May to December each year. Production inputs such as chemical fertilizers and pesticides are used in small, though growing, quantities and credit facilities were virtually non-existent up to a few years ago. There is an annual deficit of 60 to 70 thousand tons of milled rice. This deficit is of relatively recent origin, being in large part a product of the war. Manpower demands of the Army and the movement of farm families from production areas due to security conditions have resulted in the non-cultivation of considerable arable land.

However, barring major political or military reversals, prospects for making real headway in modernizing and developing agriculture in Laos are promising. The recent past provides a number of hopeful signs. An increasing, though still comparatively small, quantity of rice is now moving in commercial channels, principally to nearby local mills and markets. Expectations for better living standards are beginning to develop, and the rural economy in farm areas contiguous to the larger towns gradually is becoming monetized. Lao farmers are showing increased receptivity to the use of improved rice seed as witnessed by the success of the USAID-supported seed multiplication program started in 1964. "There are many areas in the secure parts of the country where potential irrigation water can be developed. Many of these areas have a reliable 12-month supply of water which would allow for two crops of rice per year from the same land. Some of these areas have already been developed through . . . irrigation programs; there are many more in the planning and construction stage which will add to the potential."⁵² Further, it is feasible to telescope the time span of agricultural development by borrowing from the results or research in neighboring countries. Specifically, the IR-8 rice seed, the "miracle rice" developed by the International Rice Research Institute at Los Banos in the Philippines, if properly cultivated, provides the potential for dramatic increases in rice production. Recent demonstrations of IR-8 in Laos produced yields in the range of 7 to 7.5 tons per hectare.

Against this recent background, the USAID and RLG have projected ambitious production figures as targets for the cooperative development effort planned. Briefly, the heart of the program is to move agriculture

⁵²Letter from Joseph A Mendenhall, Director USAID/Laos, to Tiao Somsavath Vongkoth, Director of Agriculture, Royal Lao Government, (Vientiane: May 2, 1967), 2.

from a subsistence to a predominant commercial basis over roughly the next six years. The initial target is to close the annual rice deficit by the end of CY 1969. The longer-range target is to produce an incremental 200,000 tons of rice for export by the end of CY 1972. A key planning component is a progressive escalation of the amount of hectares devoted to double cropping, i.e., a dry season crop through irrigation, beginning with 300 hectares this past season, to 8000 hectares the next dry season, and on up to 50,000 hectares by 1972. Greatly expanded use of chemical fertilizers, pesticides and IR-8, as well as other improved seed varieties such as the Taiwan and the Sanpathong from Thailand, are also key elements on which the projections depend. The scale of effort planned is indicated by the FY 1967 quantities of these production inputs and the projected requirements for FY 1968: an approximate 900 tons of fertilizer in FY 67 and 5,900 tons in FY 68; 57 tons of pesticides in FY 67 and 280 tons in FY 68; collection of 454 tons of rice seed for the past wet season and 1,500 tons for the coming wet season.

The short-run outlook for this program is good if it is implemented with a moderate degree of efficiency. It is feasible to target a closing of the domestic rice gap by the end of the decade. The initial increases in rice production can be readily absorbed by a short domestic market. A favorable price relationship to the farmer should provide enough of an incentive for realizing the projected production increases. By concentrating the intensive use of the production inputs and the required technical assistance in selected areas where there are adequate roads and water supply as well as some receptivity by the farmers to modern production methods, the central problems of new technology and markets are manageable. There are now an approximate 110 Lao extension agents and crop and soil specialists who are fairly well-trained. This is a slim but probably sufficient supply of skilled manpower for the short-term, if motivated and properly used in the local areas of concentrated effort. Distribution, storage and marketing facilities are inadequate given the subsistence character of the agriculture. However, present and planned actions to upgrade and expand these facilities should produce enough progress to realize the immediate targets.

The longer-term profile of the program is another matter. AID personnel in Laos in discussing this program consistently pointed to two major problems which have to be dealt with effectively if the program is to succeed, that is, if the expected initial increases in rice production are to be sustained and expanded: 1) durable incentives have to be built-in for the required cultural practices, such as double cropping and fertilizer application; 2) means for the timely distribution and coordination of the production inputs at all levels have to be developed.

These problems are reflective of a more basic difficulty which goes to the heart of the program's prospective success or failure: the present lack of a viable institutional framework in Laos for a concerted

development effort. The absence of development institutions at the center, or of a genuine development orientation of regular central government agencies with trained and empathetic manpower, as well as the poverty of rural organization at local levels, are not of central concern to a U.S. foreign aid program when its objectives are principally of a stabilization and humanitarian-relief character. However, when conditions allow some movement of the program focus to longer-range development objectives, the institutional setting of the host country becomes the centerpiece for putting together the planning and action components of the development strategy.

Specifically in Laos, social structure and organization at all levels appear to be heavily weighted in favor of traditional prerogatives of decision and action by constituted authority at the top. Initiative on collective matters and problems is largely dependent on the discretion of leadership. Authority and responsibility tend to be concentrated and are not easily delegated. A plurality of organizations reflecting various community interests and a tradition of willing local participation exist only in limited and rudimentary forms.

Indeed, the pitfalls of the RLG-USAID rice production program derive not only from the shortage of skilled manpower but also from the tradition of one-way planning and decision at the top (Vientiane and the Chao Khouengs - Provincial Governors) and the lack of local institutional capacities and incentives to carry out the decisions. The fiat issuance of directives by removed government officials, or the initiation of projects which the villagers and farmers do not consider in some part their own, would appear to be potentially as self-defeating in Laos as it has been in several other Asian countries.

It is suggested that if the twin problems of production incentives and efficient distribution of production inputs are to be met, serious attention must be given to the longer-run institutional and cultural means through which peasant farmers and village leaders can be engaged as willing partners in and agents of development. Otherwise, there is the danger that the development plans, targets and projects formulated in Vientiane will get too far ahead of or out of meaningful contact with, the institutional capabilities and cultural motivations necessary for their implementation.⁵³

There are two USAID-supported programs and/or organizations which deserve particular attention in briefly viewing the institutional framework for rural - agricultural development in Laos: 1) the joint RLG-U.S. Agricultural Development Organization (ADO); 2) the Rural Development, or "Village Cluster," Program.

⁵³See K.G. Orr, The Lao Farmer and the Proposed Artificial Fertilizer Program in Laos, (USAID/Laos; December, 1966). In this paper, Dr. Orr, Research and Evaluation Officer of the USAID, points out the difficult problems of cultural change and time involved in obtaining Lao farmers' acceptance of production innovations such as fertilizer.

ADO is a semi-autonomous, agro-business organization under the joint direction of the USAID Agricultural Chief and the RLG Director of Agriculture. Its functions are designed to support the rice production program. They include providing farm credit facilities - now in the initial stages of development; logistical backstopping of the program by providing transportation and storage facilities; acting as a secondary purchase agent to assure farmers a market and a fair price for their rice; acting as the major funding channel, or cashier, for the program; and conducting various kinds of economic investigations, such as market surveys, and credit studies, calculated to furnish reasonably accurate intelligence for program planning and execution. ADO is manned by a headquarters staff in Vientiane of 16 officers and a complement of 3 officers for each of the 6 provincial field offices. The staffing pattern calls for 4 Americans in Vientiane, including an Executive Officer, and 6 regional representatives for the field offices. ADO's overhead and operational expenses are funded by the USAID.

ADO was established in 1965. Its purpose was to provide more flexible and expeditious means of execution of the above functions than could be provided by the host government bureaucracy and the U.S. foreign aid mission. Its rationale was typically that of the joint agency. Mr. John Sauvajot, the first ADO Executive Officer, pointed out that "... ADO is expected to operate as a flexible, modern business organization, which will develop Laotian management talent and leadership potential, and which will administer as wide a variety of activities as are necessary to fill the gap between what can be accomplished by the Royal Lao Government and the standard foreign aid programs."⁵⁴

ADO's major activity in FYs ' 1965 and 1966 was the distribution of foundation rice seed and, following harvest, the acquisition of the multiplied seed. In 1966, ADO was reorganized by transferring its distribution and acquisition responsibilities, and a large portion of its field staff, to the Crops and Soil and Extension Sections of the RLG Directorate of Agriculture. This reorganization formally recognized a de facto situation: that the Lao field personnel in ADO responsible for the seed multiplication program were carrying out their jobs largely under the supervision of the Directorate's Provincial Agricultural Chiefs. The aims of the reorganization were to locate clearly the responsibilities of seed distribution and contracting with cooperating farmers with the Directorate; to take from ADO functions which were proving to be duplicative of those normally carried out by RLG agencies; and to allow ADO to concentrate on its other functions, particularly the development of its credit programs, which, on their face, were complementary to the activities of the Directorate of Agriculture.

Don Davis, the able Chief of the USAID Agricultural Division

⁵⁴End of Tour Report, TOAID A-1213 (Unclassified), May 24, 1966, 2.

in Laos, wrote in May 1966 that "it is hardly fair to judge ADO as a function of USAID Programs in Laos by its present accomplishments. Lack of planned advisory staff, limited ability of local staff and confusion as to the proper functions of ADO in the minds of RLG and AID officials have all contributed to lack of real progress in other than the rice seed improvement program."⁵⁵ Perhaps conditions have improved with the reorganization of ADO and the execution of its first independent credit program, providing loans for the purchase of buffalo. However, ADO continues to be hampered by a lack of recognition by RLG officials of the flexibility and freedom a joint agency needs to function properly. The organization's effectiveness also has suffered from the continued lack of adequate American staff.

There is little in the ADO experience thus far which adds to the persuasiveness of the case for the joint agency form of aid administration, although it is too early for definitive judgment. There are, however, a few negative lessons to be learned from its brief life. Mr. Sauvajot appears to reflect a consensus of opinion among AID officials who have been involved in ADO operations when he says that "ADO was... launched without the benefit of careful planning and in fact assumed functions which would have been otherwise carried out by the Directorate of Agriculture."⁵⁶ This lack of prior planning explains in part the slow and troubled start of ADO. Yet, other important factors appear to be involved. Few, if any, of the conditions pointed to in the previous chapter as being necessary in some part to the success of a joint agency are present in Laos. In particular, one can note the shortage of skilled professionals familiar with and receptive to American methods and techniques; the absence of a tradition of stable government; and the apparent unwillingness of government officials to fully support and delegate authority to the joint organization. Prima facie, Laos was an unfortunate choice for the use of a joint agency.

If ADO's institutional role is seen as a "stopgap," though vital, means of furnishing logistical support for the rice production program over the next few years while private commercial alternatives are being developed to handle the increasing volume of production inputs and marketing, consideration of ways to strengthen its position and improve its capacity for performance should be limited accordingly. (I gather this view reflects present Mission thinking.) In this regard, ADO's capabilities can be improved appreciably by providing a more adequate American staff and by an intensive training program for Lao personnel.

⁵⁵Ibid., 1.

⁵⁶Ibid., 10. See also USAID/Laos Memorandum, Utilization of Drilon Reports, W. C. Tucker, (past) Chief of the USAID Agriculture Division (April 16, 1966), 6: "At the present time, there is no clearly understood agreement as to ADO's purpose, objectives, and role - due primarily to its precocious initiation before a complete understanding was reached."

On the other hand, if ADO's role is to be longer term as the focal point for the growth of the multiple elements of agro-business in Laos, further attention should be given to ways by which ADO would have the opportunity to find itself and become the change agent of institutional development that it was originally conceived to be. The realism and net advantages of this option are open to doubt. However, if the option is a meaningful one, ADO must develop an identity and sphere of action separate from the Directorate of Agriculture and the U.S. foreign aid mission. At present, its autonomy is more formal than real; its operations are largely a dual and confused reflection of the controls and preferences of its parent organizations.⁵⁷

It is suggested that one possible way of giving ADO greater identity and vitality would be to abolish its present Servicio-form of management and adapt in its place the joint commission form. This change might add badly needed leadership and stature to the organization. At a minimum, it would appear advisable to pull the Lao Director of Agriculture and Chief of the Mission's Agriculture Division out of their positions as Co-Directors. Neither have the time to give ADO the attention and direction it deserves. A key to the success of a Chapter 7 initiative of this kind would be the appointment by the RLG of a prestigious and respected leader as the Commission Chairman - one who could speak with authority in government circles. The American Commissioner also would obviously have to be selected with care with respect to his competence and experience.

The primary instrument of rural development in Laos is the Village Cluster Program. Although this program involves purposes broader than agricultural modernization, it is the best available vehicle for carrying out at the grass roots the intensive efforts in rural institution - building which are vital to the goal of achieving a largely commercial agricultural sector in the next decade. The USAID has stressed that the major emphasis of the cluster program will be to support the rice production program. Presumably, this will involve some movement away from the heavy past emphasis on social infrastructure projects, e.g. schools, dispensaries and wells, in favor of production-oriented activities, assuming no appreciable expansion of the resources devoted to the cluster program.

There are at present 14 clusters, including the Sedone Valley Development Program in the South which encompasses all of Wapikhamthong Province and portions of Sedone and Saravane Provinces. The clusters range in size from around 20 to 190 villages with an approximate spread in population of 5,000 to 43,000. For the most part, the clusters are located in the lowlands and valleys of Laos.

⁵⁷Ibid., 7.

The cluster program was launched in 1964 with the aim of consolidating RLG-U.S. rural development activities. "Previously scattered throughout the provinces and suffering from many uncompleted projects, it was decided that these activities should be concentrated in selected groups of villages where they could be more readily controlled and followed up, and would produce greater impact."⁵⁸

The U.S. and RLG operators of the program have sought to make community self-help its prime mover. A premium has been placed on developing projects which will generate enthusiastic local involvement. Though social infrastructure activities bulk large in the overall, there has been considerable support for agricultural and agricultural-related activities, principally feeder roads, irrigation systems, water storage and flood control dams, local markets and village demonstration plots.

There is good American involvement in the cluster program. We have an approximate 30 community development advisors, and assistant advisors, working in the clusters, with four Area Coordinators and the U.S. Aid Mission's Office of Rural Development performing the functions of policy direction and support in conjunction with the RLG Commission of Rural Affairs (CRA). The role of the American advisors in almost all cases involves more than tendering advice to CRA personnel. They actively participate in the planning and execution of projects, in effect carrying out operative as well as advisory responsibilities. In this sense, their role is similar to the one played by U.S. technicians in JCRR, although the reasons for the similarity are different. In the case of JCRR, the activist U.S. role was premediated and facilitated by the Chinese. In the case of Laos, the comparable U.S. role is an immediate requirement for the effectiveness of the overall program given the shortage of skilled Lao manpower in the CRA and related agencies.

Also reminiscent of the U.S. technician in JCRR is the fact that our community development advisors in Laos have considerable latitude for their innovative and catalytic actions, being able to work directly with considerable numbers of government officials and local community leaders. At the same time, our CDAs in Laos represent a different breed of overseas American professional than the agricultural specialists who worked in JCRR. The former are younger and less technically specialized. They are normally trained in the language of the area in which they serve. Among other things, they perform the difficult generalist job of interpreting and translating the variety of needs and problems of their local areas so that they can be more effectively met by the U.S. technicians and their counterparts working at national and provincial levels. Notwithstanding the differences, the CDAs are similarly situated within the

⁵⁸Joseph A. Mendenhall, "United States Aid to Laos," talk to the Rotary Club, Vientiane, July 11, 1966, 6.

institutional structure of rural Laos to engage directly the local groupings and forces which can generate development. The test of their effectiveness, in most cases, is one of success in facilitating positive identification and genuine dialogue between the village population and the Lao government officials rather than impeding this vital two-way process by a too visible presence.

JCRR's role in developing the Farmers' Associations in Taiwan appears particularly relevant to the cluster program in Laos. Cooperatives are weak or do not exist. Thus far, only marginal attention has been given to the development of simple farm-service type organizations in the village clusters. Except for some initial soundings by ADO and the selective programs of the Village Development Association of Laos (VDAL) supported by another U.S. government agency, this vital area seems to be virtually untapped. There indeed may be good reasons, such as appropriate timing and higher priorities, which explain this. However, the present targets of agricultural growth now compel more systematic attention to the questions of how to go about organizing farm services and enlisting a greater and more concentrated local participation in development activities.

There obviously are major differences between the rural environments of Taiwan and Laos, specifically with regard to the state of development of their agricultural sectors and their farm population e.g., literacy, exposure to modern techniques of farming. However, the multi-purpose farmers' association lends itself to careful adaptation within the rural environment of Laos. The marked lack of experienced manpower likely rules out anything but such a simple, general-purpose organization. It is suggested that serious study be given to adapting the local FA structure of Taiwan, perhaps first on a pilot basis in a few clusters where conditions are especially promising.

It is interesting to note that the Preliminary Economic Development Plan, 1967-8, of the Houei Kong Cluster situated on the Bolovens Plateau in the southern Province of Attapeu revolves around the proposed establishment of a cluster-wide Development Association which would be a member-owned organization providing various agricultural services to the cluster population.⁵⁹ The aim would be ultimately to turn the entire cluster program and the supporting facilities over to the Association. In conception, the structure and functions of the Association are very close to the township FA of Taiwan.

⁵⁹Frederick C. Hubig, CDA/Houei Kong, March 9, 1967.

Houei Kong is not a typical cluster in that its area is inhabited by two indigenous Kha tribes, the Loven and the Nhaheune, and the RLG presence is conspicuous only by its absence. However, the comparative uniqueness of the Houei Kong should not diminish the possibilities of creative and realistic initiatives in other clusters, particularly in those where the economy is becoming increasingly monetized.

3. The Philippines

Conditions of rural life in the Philippines today project a picture of markedly uneven character. Opinions on the prospects of rural growth and the effectiveness of present means in generating growth range from despair to optimism depending in considerable measure on which parts of the picture one chooses to look at: whether, for example, one focuses on the apparent incapacity of the national government to carry out an effective land reform program and the resurgence of the Hukbalahaps in Central Luzon on the one hand; or on the dramatic production results of the IR-8 rice strain and the rapid expansion of responsible and energetic private agro-business firms on the other. Indeed, synthetic generalization is at best difficult given the uncertain chemistry of the old and new elements involved.

On the negative side, there are a number of elements which loom large in the picture. Population growth in the Philippines over the last five years has been at the foreboding rate of 3.34 percent, meaning about a million more mouths to feed each year. Domestic rice production has not been meeting increasing consumption requirements. The rice deficit has averaged in the recent past at about 200,000 mt annually. It has been estimated by the U.S. aid mission in Manila that an increase in rice production of 450,000 mt over the next two to three years is necessary to cover the present deficit, accommodate the population increase and allow a reserve for seasonal shortages and bad years.⁶⁰ Despite ample resources of water and soil, the Philippine nation's performance in growing rice for its population has been falling considerably short of its potential. In fact, "average production per hectare of palay (rough rice) in the Philippines has not changed significantly in the last quarter of a century."⁶¹

Second, there is the element of a malfunctioning democratic government unable in the main to provide vital services to, or build trust and rapport with, the mass of peasant farmers. The national government in Manila is top heavy. Lower units of government traditionally have had little authority or power of action. The national government also is fragmented into a welter of agencies, authorities, etc.

⁶⁰Rice and Corn Self-Sufficiency Program, USAID/Philippines, Program Office, (Manila: October, 1966), 3.

⁶¹W. C. Haraldson (Director USAID/Philippines), Do It Yourself Rice Self-Sufficiency Production Kit, Unclassified Airgram TOAID A-630, Feb. 2, 1967, 1.

There are today an approximate 43 government agencies involved in rural development activities of which 26 are directly concerned with agriculture.

Past and present failures of the central government to provide effective leadership of rural programs, e.g. the unsuccessful ACCFA (Agricultural Credit Cooperative Financing Administration) credit program of the previous decade and the present problem-ridden land reform program, are commonly attributed to shortcomings in organization and execution. Although true, these reasons do not provide a telling explanation by themselves of this seeming incapacity of the central government. The causes, I believe, run deeper. The government, its organization and use of power, is an expression of a social system grounded in values and accepted practices essentially at odds with objectives and programs of development and modernization. Ernest Neal, present Deputy Director of USAID/Philippines, recently captured the thought I want to express:

The Philippines society is made up of stars and constellations. The stars are persons or families of power and the constellations are the people dependent on them for livelihood, protection or favors. The men of power take care of their dependents in crises. The dependents, in turn, give them their loyalty, support for political office or any other goal where their support is needed. It is natural and it is expected for a man of power to reward his relatives, friends and dependents with positions, business advantages and protection from the law. Under this kind of a social system each individual seeks to become related to a person of power rather than depending on merit and ability for position or security. This kind of social organization is not conducive for co-operatives, entrepreneurship of efficiency. It rests largely on favoritism, loyalty and family connections. Such a system is well-suited for a static, agrarian economy operated by a landed gentry. It is not well-suited for economic development.⁶²

Similarly, the Philippine Government reflects a set of vested interests - e.g. traditional land-holding elites involved in sugar, rice and copra, and urban manufacturing and commercial interests - which though far from monolithic excludes representation of the palay farmer, both small landowners and tenants, except for the proxy representation of a minority of modernizers and reformers in government and professional circles.

⁶²The Case For A Rural Development Authority (A Working Paper), (Manila: May, 1967), 2.

A third disquieting element is the resurgence of the Communist-dominated Huks in the Central Luzon Provinces of Pampanga, Nueva Ecija, Bulacan and Tarlac.⁶³ The seriousness of the resurgence, that is, the extent of local organizational penetration, support and power, are not to be dwelt on here. However the general causes of the comeback appear to be clear: government neglect of and maladministration in rural areas, its limited capacity to provide security, deep economic imbalances and social disillusionment.

With regard to agriculture in particular, the negative or lagging elements in the picture are quite evident and generally agreed-upon. Briefly, productivity is low. The average yield per hectare of palay is around 30 cavans (one cavan - 40 kilos). The national average ranges upward to between 40 - 50 cavans on irrigated land and dips downward on rain-fed lands. This is one of the lowest productivity rates in the world.

Second, Philippine agriculture lacks efficient marketing and production supply systems. Essential inputs often are not available when needed and priced unrealistically when available. Marketing, like production, remains inefficient and obsolete. "Most of the mills and warehouses are crude resulting in huge losses in recovery and storage of rice. The bulk of the harvest is sold in times of scarcity and high prices"⁶⁴

Third, the availability of credit in rural areas, particularly for small farmers without collateral, is markedly insufficient. Past efforts by the government to build a network of solvent credit agencies have largely come to naught. However, the increasing vitality and effectiveness of a number of the rural banks hold out promise for the future.

Rural bank credit is but one of a number of significant positive signs which have surfaced in the recent past and which brighten the contemporary scene of rural Philippines with lines of constructive public and private action and local farmers' response.

In August of 1966, the USAID and its Philgovt. counterpart agency, the National Economic Council (NEC), signed an agreement

⁶³See the recent document, The Challenge of Central Luzon, A Report By The Committee On National Defense and Security, Submitted to the Senate during the Second Regular Session, Sixth Congress of the Philippines, May, 1967. (This report is known as the "Manahan Report," named after the Chairman of the above Committee, Senator Manuel Manahan.)

⁶⁴RCPC (Rice and Corn Production Coordinating Council) Organization Manual, Philippine Government Department of Agriculture and Natural Resources, (Quezon City: 1967), 3.

establishing the Agricultural Guarantee and Loan Fund (AGLF) with an initial capital subscription of 5 million pesos. The purpose of AGLF is to provide the resources for eligible rural banks to carry out supervised farm credit in support of the Four-Year Rice and Corn Self-Sufficiency Program. The Fund is administered by the Central Bank which makes special time deposits in the rural banks to provide the latter with lending capacity to extend agricultural production and commodity loans to farmers on liberal credit terms. Generally, the only collateral required by the rural banks is the standing crop. A guarantee is provided to the participating rural banks to insure losses of up to 70 percent on uncollectible loans. Central Bank field technicians are assigned to rural banks to assist in supervising the credit.

Thus far, this program appears to be working amazingly well, though in a pilot period where careful attention has been given, principally by USAID technicians, to obtaining the participation of rural bankers who are development-oriented, living in the area which their banks serve, and trusted by the local farmers. As of February of this year, there were 46 rural banks participating in the AGLF out of an eligible total of 99 in the 11 priority provinces of the self-sufficiency program. An approximate p2, 654,000 had been released. Additional resources were recently committed to AGLF by Philgovt. agencies. Total funds now committed are p49 million.

Especially notable has been the success of the rural bank operations in the municipalities of Bay, Mayantoc and Mexico in the Provinces of Laguna, Tarlac and Pampanga respectively, where there have been direct USAID inputs of technical advice and encouragement. For example, Miguel Vergara, President of the Rural Bank of Mexico, used AGLF despositis to initiate a supervised credit program this past dry season for small tenant farmers willing to use IR-8 seed. The yields from the lands of participating farmers, around 40 hectares, were so great - averaging - well over 100 cavans per hectare - Vergara was confident that his credit clientele would so expand this wet season that somewhere around 400 - 450 hectares would be planted to IR-8. Vergara has had 100% repayment on his AGLF loans. The beauty of his operation is that all production and marketing services, as well as the supervision provided against approved farm plans, are integrally performed by the technical staff of the bank. He has accomplished a built-in coordination and phasing of production inputs and marketing at the grass roots level which is very similar to the operations of the township farmers' association in Taiwan..

A good part of the enthusiasm and hope today for a major breakthrough in Philippine agriculture has been engendered by the remarkable production qualities of the IR-8 rice strain developed by

the International Rice Research Institute. This new seed opens the way for a broad-based attack on agricultural backwardness in the Philippines. It is also hoped that the extensive use of IR-8 and the increased farm income that should result will have healthy spin-off effects with regard to the rural sector as a whole.

IR-8 is a dwarf variety very responsive in terms of grain yield to nitrogen application. It matures early (120 days) and has good lodging resistance, particularly in comparison with taller, late-maturing varieties. Notwithstanding certain defects, e.g. susceptibility to bacterial leaf blight, it is a great improvement over present varieties now being grown commercially in tropical Asia.⁶⁵ Mr. W. C. Haraldson, Director of USAID/Philippines, has pointed out:

With. . . IR-8 . . . yields of 150 to 200 cavans are well within the reach of any farmer. Indeed, on the basis of field tests in widely dispersed areas of the Philippines, simple farmers by following instructions carefully have been able to record yields of well over 200 cavans per hectare.

The simple arithmetic of these yields indicate that the Philippines could easily be an exporter of rice within a couple of years without digging another foot of irrigation canal, providing it could get its farmers to accept the new IR-8 and the modern farming techniques associated thereto.⁶⁶

The receptivity of Philippine farmers to IR-8 has been good thus far, particularly when its introduction has been accompanied by effective technical assistance and the ready availability of credit, fertilizer, pesticides, and irrigation. This has been evident in the Provinces of Rizal, Laguna and Tarlac. The latter two have provided pilot municipalities for the USAID-NEC Systematic Program for Rural Economic Assistance and Development ("Operation SPREAD") and as a result have been dotted with demonstration plots of IR-8. Rizal, the most economically advanced Province in the Philippines, has its own agricultural development program, which is self-financed and ably staffed. This program has achieved highly successful results with IR-8 under conditions of closely supervised credit and ample farm supplies and water. By next year, the Provincial Government estimates that over 1000 farmers will be growing IR-8.

⁶⁵"IR 8-288-3, High Yielding IRRI Selection," The IRRI Reporter, Vol. 2, No. 5, (Los Banos: Sept. 1966), 2.

⁶⁶Op. cit., 1.

One of the most promising features of Philippine agriculture today is the growth of vigorous private agro-business firms seeking to develop a market for their products by serving farmers at reasonable prices. Likely the most outstanding example of this is the new Esso Standard Fertilizer and Agricultural Chemical Co. (Philippines). ESFAC began marketing its line of fertilizers and pesticides in February, 1966. The backbone of its marketing organization is a nation-wide group of carefully selected independent dealers who run Agro-Service Centers or Stores in their home areas. ESFAC started with 220 dealers; as of June of 1967, it had 385 with plans for 450 by the end of 1967. These dealers are technically trained entrepreneurs who go out to the farmers in the fields. In effect, they perform vital extension functions through, for example, farm demonstrations and field days on the proper use of fertilizers and related production resources as well as local credit workshops. They are supported by a modern Soil Services Center in Pasig, Rizal, near Manila, which provides soil testing services at nominal costs.

ESFAC has a number of worthy competitors with which it shares a growing domestic market. The significance of this penetration of private enterprise into the agricultural sector cannot be over-rated in the Philippine situation. It stands to remedy the long-existing problem of adequate supply and distribution at reasonable costs to the farmer of the essential production inputs of commercial agriculture, and it certainly will make a real contribution in meeting the pressing needs of agricultural education and information at the farm level - needs which the government's agricultural agencies have been unable to meet in the past.

Operation SPREAD in Laguna and Tarlac deserves more than passing reference because of its impact on Philgovt. agricultural planning and programs and the character of the U.S. involvement. SPREAD was launched in the later summer and fall of 1965 after a period of discussions and planning between USAID and NEC officials and its two key figures, Governors San Luis and Aquino⁶⁷ of Laguna and Tarlac respectively. The program's rationale was to mount a set of related activities at a point of focus and coordination removed from Manila but higher and broader than the barrios; and to develop close cooperation between private enterprise and public agencies in carrying out these activities. At the provincial level, the aim has been to develop a technical staff with the capacity to plan, organize and execute action programs of public service. To this end, emphasis has been placed, *inter alia*, on provincial development planning, real property tax administration, infrastructure activities, particularly roads, bridges and irrigation, and the modernization and expansion of motor pool operations.

⁶⁷Aquino was elected to the Philippine Senate last Fall.

Within each province, pilot municipalities were selected for intensive agricultural productivity projects - Mayantoc in Tarlac and Bay in Laguna. The character and sequence of actions for the two projects have been broadly comparable: the organizing of a Town Development Council or Task Force headed by the mayor and composed of town leaders and locally assigned government technicians; the carrying out of a municipal baseline survey to inventory resources and identify priorities; selection and planning of activities by the Task Force or Council; and meetings in the barrios attended by the Governor or members of his staff, or by municipal officials, or both, for the purpose of explaining and discussing the pilot project and soliciting the ideas and cooperation of the barrio leaders. The array of development activities which has been generated by this systematic approach varies as between municipalities. Common to both, however, has been a hard core emphasis on developing a rural bank supervised credit program, demonstration and spread of modern rice cultural practices through the participation of farmers as IR-8 seed production cooperators, establishment of agro-business operations such as Livestock and Poultry Co-op Marketing Associations and the execution of a multitude of small, self-help projects for the most part derived from the baseline surveys.

The short term results of SPREAD have been quite remarkable. Starting with one farmer on a small plot of 1,280 square meters and with three kilos of seed donated by IRRI, there are now roughly 5000 hectares planted to IR-8 in Laguna with production supplies largely being handled by private distributors. In Tarlac, a good Rural Development Plan primarily geared to accelerated agricultural growth has been accomplished by the Provincial Planning Staff and is now in effect. There has been 100% repayment on AGLF production and commodity loans before or at the time of maturity in both municipalities. Motor Pool operations in both provinces have dramatically improved. Examples of this kind can be multiplied. The fact is results have been achieved quickly and decisively; development responses have been kindled which now must be further fired and spread.

There appear to be two keys to the success of SPREAD. First, the leadership of the Governors has been of central importance. They have provided coordination and pressure on technicians of the national government agencies to work together in their local areas of assignment and get the job done. The decentralized focus of the program - its resources and objectives - magnified the role of the governor, giving him a leeway for decision and action relatively free from Manila and allowing him to create outlets for hitherto untapped local energy and initiative. Second, the role of the U.S. technician has been quite different from traditional AID counterpart relations in the Philippines.

Mr. Haraldson has compared this role with that of the American technicians in the JCRR without the formal joint structure of the latter. Indeed, the U.S. involvement centered in the operational environment of the Governor's Office itself and moved outward and downward through a series of offices, organizations and groups, e.g. provincial staff, rural banks, municipal task forces, cooperatives, local offices of national government agencies and farmers themselves in the paddy fields. In this framework, our role has been that of the constructive catalyst and gadfly, being both fruitful and appreciated.

The present organization and action framework of the Philippine Government's Four-Year Rice and Corn Self-Sufficiency Program has been strongly influenced by its antecedent, SPREAD. The former is a nationwide "crash" program with targets of self-sufficiency in rice by the end of CY 1969 and in corn by the end of CY 1970. The Rice and Corn Production Coordinating Council (RCPC) under the leadership of Rafael Salas, Executive Secretary to President Marcos, is charged with the responsibility of overall management of this program. The Council itself is composed of the Directors of all major agricultural agencies of the national government, and is supported by a separate technical staff in Manila. Its elaborate organizational machinery goes all the way down to the local level. It is not however cut from new cloth. Rather, it is largely staffed with regular personnel of agricultural agencies temporarily seconded to RCPC. Essentially, RCPC is a make-shift arrangement organized for purposes of expedition and coordination among the many agencies involved in carrying out the rice and corn program. Its present strength and coherence depend in some significant part on the authority and will of the Executive Secretary.

The key leaders of RCPC are consciously attempting to set into motion a decentralized pattern of organization and action comparable to the SPREAD experiments in Tarlac and Laguna. The intention is to delegate authority and expedite fund releases to RCPC field personnel, particularly the Provincial Director and his corps of production technicians. There is recognition that the success of the overall program hinges on the support and quality of performance by the productivity teams in the field. Also, the intimate U.S. participation in RCPC deliberations and actions thus far is an extension of our SPREAD strategy.

However, even if the character and spirit of the rice and corn program parallel SPREAD, there is at least one significant difference - the role of the Provincial Governor. RCPC reflects the traditional Philippine operation emanating from the center. There is, no doubt, room for the active participation of governors that are so inclined or politically motivated, but they are not the focal point of decision and action for the program in their provinces as are the SPREAD Governors.

The rice and corn program was recently expanded by President Marcos from 11 pilot provinces to include all provinces. This is moving faster than is necessary on economic grounds in that efforts will still have to be primarily directed to the major rice producing provinces to meet production targets. It is likely that U.S. financial and technical support will be concentrated in a number of key provinces of this kind where good performance is crucial. Notwithstanding the danger of the national government spreading its limited resources too thin, the chances of closing the rice gap by 1969 are excellent. The requisite quantity and quality of production inputs are available and efficient distribution and fair pricing, principally by private firms, appear assured. The willingness of farmers to plant IR-8 and other high yield seed varieties now being multiplied is still undetermined, but recent successes in this regard allow for considerable optimism.

The strategic problem for the U.S. foreign aid mission in the Philippines is one of selectively stimulating and influencing economic and politico-social changes, constructive and non-violent in character, which will release popular energies for genuine development and give a content of consensus and responsibility, rather than alienation and corruption, to democratic institutions. Although primary responsibility for healthy change obviously rests with the Filipinos themselves, it is also clear that U.S. resources and actions, their placement and impact, can make a difference as to the character and/direction of change. The rural sector in the Philippines is one dimension of our strategic problem which is alive with new opportunities but strewn with obstacles.

Further, our problem is intimately related to the policies of Title IX of the 1966 FAA, and invites interpretation within the terms of these broad policies. For surely the heart of the matter is finding ways of stimulating and organizing the participation of the rural masses in the democratic life of the nation in a framework of aspiration, mobility and loyalty broader than the extended family and the barrio. Ways must be found to energize and put to work the many private and public organizations in the Philippines now only marginally involved in the challenges and complexities of rural development, whether they may be private, non-profit institutions such as Silliman and Xavier Universities in the South, or Philippine Rural Reconstruction Movement (PRRM) credit unions in Nueva Ecija, to note a few examples. A vast potential for constructive change exists in the group pluralism of Filipino life if self-starting resources are made available and nationalism harnessed to productive effort. Also, support must be given to the development of the government machinery and administrative capacities at the provincial and municipal levels so as to facilitate the passage and successful implementation of a Local Autonomy Bill decentralizing governmental powers.

The three successful programs or operations in rural areas cited above - rural bank supervised credit, private agro-service centers and SPREAD - are being carried out with the acceptance or support of the national government but without its direct involvement or supervision. This suggests that for action-oriented rural development programs to obtain badly needed traction in moving toward the participative and pluralistic type of efforts indicated above, and for the U.S. role to be that of a positive and flexible agent of change, a mechanism independent of the government leadership is desirable, if not necessary. Indeed, a Chapter 7 related initiative in the Philippines appears to be feasible, if the groundwork is properly set. The general conditions noted in the preceding chapter as being necessary in some combination to the success of a joint agency are present in the Philippines, although the questions of full government support and keeping the agency free from political manipulation can not be answered without taking the risk of establishing the organization. It is my impression, however, that the Government leadership well might welcome a joint Philippine - U.S. initiative addressed to rural development problems given general uneasiness about the rural sector and mounting pressures to show some progress, or sense of direction and purpose, in coping with the Huk menace.

The question of timing is also important. For the next year at least, U.S. aid mission personnel are going to be devoting a large part of their time and energy to assisting the RCPCC in making the unwieldy government apparatus involved in the rice and corn program function with a moderate degree of efficiency and effectiveness. Achieving the important goals of this program is the immediate priority of the aid mission. However, the next year can also be used for quiet exchange of views and deliberations with key Filipino groups and individuals with regard to what is to come after the crash production program and the RCPCC. For surely, RCPCC should be viewed as a jerrybuilt expedient contrived only for the short run. Timewise, the creation of a joint agency would appear then to make more sense as a logical next step at the end of the rice and corn program.

The specific form of the joint agency is not of direct concern here. This would have to be a product of an extended discussion of alternatives and problems with the Filipinos. It is suggested, however, that what ever alternative might be chosen, e.g. a Commission or Foundation, it should incorporate a few basic features: insulation from government bureaucratic control; adequate funds to insure meaningful programs;⁶⁸ a sponsoring agency approach to facilitate the direct access to program support of the many and varied private and public organizations and groups which have a contribution to make to rural growth; and an integrated Filipino-American management.

⁶⁸Neal, op. cit., 5.

More generally, the structure and type of programs of the joint agency should permit an expansion and diversification of the approach to technical assistance which we have used in the SPREAD experiment. Our field personnel and specialists in the Philippines must have the institutional maneuverability to be more than conventional conveyors of economic resources. If the JCCR experience tells us anything it is the value of, or the potential fruits to be reaped from, pushing the capable American technician into a spacious working environment in which he also has to be a sensitive promoter, catalyst and innovator to get his job done: that is, to perform as an effective change agent.

Although specific questions of program content and thrust are premature, it would appear useful to note in passing one idea which, on its face, has great attraction and perhaps dangers as well. An initial major project for the new organization could be to carry out an integrated experiment in land reform and agricultural productivity in one of the land reform areas on the Central Luzon plain.

ACED Issues Paper

Session on

Aid Administration to the Rural Sector

Background

The attached report was prepared in response to Chapter 7 of the Foreign Assistance Act of 1966, which encouraged A.I.D. to establish Joint Commissions of Rural Development in developing countries. Since the Sino-American Joint Commission on Rural Reconstruction is the archetypal institution, a thorough assessment of that agency's experience was made. The study's purpose was to identify those elements which might have application, or be adaptable, to other country environments. The Commission was analyzed in all its program and institutional aspects in an attempt to discover means of reaching down to the primary producer level to give A.I.D. economic assistance a greater impact upon rural development. The report argues that existing A.I.D. programs generally do not act directly on the local rural economy. It is argued that the U.S. technician-host country counterpart relationship has not facilitated--indeed, actually inhibits--penetration of aid to the primary producer level.

The questions raised below focus on the reasons for the lack of A.I.D. success in rural development and the major lessons one might learn from the JCRR experience that would help to alleviate this apparent failure.

Issues

1) Is the usual counterpart relationship a major reason for A.I.D.'s failure in the area of rural development (to the extent that A.I.D. has failed)?

There are many reasons for lack of success in rural development and the failure of some A.I.D. programs to have an impact at the local level. These include the low priority given to rural development by the host government, refusal by the government to decentralize decision-making, and Mission failure to exert leverage in this direction. How important is the counterpart relationship in inhibiting local impact programs?

Can this relationship be maintained and modified so as to work more effectively at the local level? Or should the counterpart relationship be eliminated and replaced by some other institutional arrangement?

2) What were the major reasons for JCRR's success? How important was the joint structure of the agency?

The report clearly recognizes and identifies many reasons for JCRR's success: emphasis on felt needs, rural institutional development, the "sponsoring agency" approach. However, it particularly emphasizes the joint structure of the agency, which facilitated its program activities and allowed the Commission flexibility to deal with rural problems that could not easily be handled by a Ministry of Agriculture.

Yet it can be argued that other reasons for JCRR's success are at least equally significant. The report may not give adequate attention to the fact that there was no central government Ministry of Agriculture at the time of JCRR's establishment. This allowed the Commission to operate without fear of a focal point of opposition. Also, the Commission had extensive financial resources at its command and this might be given considerably more weight in evaluating JCRR's impact on the rural economy. JCRR disbursed a total of U.S. \$7.1 million and NT \$3.7 billion to the rural sector. Total U.S. project aid to agriculture amounted to U.S. \$43.5 million and NT \$4.9 billion from 1950-65. In U.S. dollar equivalents, this totals \$223 million, or \$15 million per annum. If an equivalent per capita amount were allocated to the rural sector of India, say, would the results not have been equally impressive? Although the joint structure was obviously effective in Taiwan, how important was it compared to these other factors?

3) In considering the adaptability of JCRR's experience to other country environments, the JCRR approach to rural development may be more important than the joint structure of the agency.

A joint structure is probably neither a sufficient nor a necessary condition for rural development. As the report itself indicates, JCRR's success was achieved through the quality of its programs and its grass-roots approach to rural development. Other countries have successfully followed a similar approach without a joint agency. Success in the rural sector requires a certain attitude on the part of the central government, a priority emphasis on agricultural development, certain types of programs, considerable financial and human resources, and local rural

institution building. The type of environment that must be established to ensure rural development can be discovered from a thorough reading of JCRR's philosophy and program initiatives.

4). How feasible is it to consider establishment of joint agencies in other countries?

Other countries may lack some of the unique characteristics of Taiwan which made JCRR work. They may also lack some of the disadvantages which made a joint agency approach necessary in Taiwan, such as the absence of a Ministry of Agriculture. JCRR was bolstered by the very special U.S.-Chinese relationship, dating back to mainland days, and by the fact that the U.S. was the major supporter of the Republic of China. No exact parallel relationship exists between the U.S. and any other aid receiving country. The report lists seven conditions which appear necessary in some measure to the success of a joint agency; it is uncertain whether all these conditions exist anywhere else. How feasible is it to spend time and energy in negotiating for a joint agency, given the difficulty of duplicating Taiwan's conditions elsewhere?

Discussion at February 23, 1968

Meeting of the Advisory Committee

on Economic Development

The Meeting:

Mr. Richard Lee Hough presented his paper A.I.D. Administration to the Rural Sector: the JCRR Experience in Taiwan and Its Application in Other Countries (September 1967). The focus of the paper and the discussion which followed was on the elements of success in the experience of the Joint Commission on Rural Reconstruction and their transferability, or adaptability, to other countries. Attending the meeting were Messrs. Mason (Chairman), Barnett, Bell, Despres, Pye, and Ranis of the Committee, Mr. Howard L. Parsons of the USAID Mission to Thailand (and formerly Director of the US Mission to Taiwan), Mr. William C. Carter of the Office of Private Resources, Messrs. Paul G. Clark and Alan M. Strout of the Office of Program and Policy Coordination, and others.

Summary of the Discussion

The Chairman initiated the discussion by thanking the author for preparing an excellent description of the JCRR and the factors explaining its economic impact on rural Taiwan. He then turned the floor over to Mr. Hough.

Mr. Hough pointed out that the purpose of the paper was to respond to Chapter 7 of the 1966 Foreign Assistance Act, the provision which encourages A.I.D. to establish in other developing countries Joint Commissions similar to the Taiwan model. He had tried to view JCRR from the broadest possible perspective and appraise all aspects of the JCRR for possible adaptation--including but certainly not limited to the joint-agency structure.

Mr. Hough then launched a discussion of the one-to-one counterpart relation, particularly as contrasted to the joint agency approach. He doubted it was working well, and asked for innovations in the style of technical assistance. Under questioning from the committee he agreed that good relations between the American and his counterpart could develop, despite organizational and physical separation, but he felt that it was the exceptional American who could succeed under these conditions. The advantage of the JCRR was that it melded the two teams at the management level and forced the American into the middle of the process. While accepting the committee's remarks about other advantages of jointness--that it lessened bureaucratic infighting, avoided item-by-item scrutiny of finances, and gave each participant, the Government of the Republic of China and A.I.D., a case for arguing that it had more control over a greater sum of money than would be the case under usual bilateral arrangements--he insisted that its single benefit was that it freed the American to work at all levels and

permitted the much larger Chinese staff to optimize the use of this scarce foreign resource.

Some members of the committee stressed that the shortcomings of the counterpart relation were not necessarily solved by a joint arrangement, or that this was the only possible solution. Mr. Bell pointed out that another management policy within the JCRR could have effectively hamstrung the Americans. Mr. Parsons took issue with Mr. Hough over whether the JCRR American was really so free an agent within the JCRR structure as the latter suggested. Mr. Hough replied that it was more difficult to box in a U.S. technician in a semi-autonomous joint commission than in a ministry.

The author then passed on to the JCRR philosophy of rural development. Able to operate at all levels, JCRR put special emphasis on reaching the farmer directly. While admitting that a unique set of circumstances contributed to the success of this strategy in Taiwan, he insisted that the joint-agency was a flexible technique and, provided its strategy was appropriate, could be put to good use under quite different conditions.

The committee reflected on another joint device for technical assistance which had been condemned and dismantled in the early 1960's--the Servicio operation previously employed in most Latin American countries. The Chairman asked Mr. Hough if he agreed that the Servicio had failed. The latter replied that on the basis of his limited acquaintance with the Servicio, he had sensed some significant disadvantages compared to the JCRR model. For one, the American presence was more visible; indeed, the American director headed the Servicio and spoke for it. For another, the Servicio itself was more visible, since it was an implementing agency. Finally, though the Americans insisted on matching funds from the host governments, the Servicio did not expect the local farming communities to match as well. All three policies were quite the reverse of the JCRR model, in which the Chinese took the lead, sponsoring agencies were required to carry the burden of implementation, and these same agencies and their rural memberships were expected to put up matching funds.

This discussion of the Servicio experience led the committee into a more general exchange of the essential elements of the Taiwan experience. Mr. Bell emphasized the sponsoring agency approach, likening JCRR to a domestic technical assistance agency with a single-minded objective of encouraging the growth of Taiwanese institutions. Mr. Ranis added that its freedom from central government control was an equally essential element of JCRR's "floating" character. Mr. Carter reminded the committee that with large capital resources any agency--central or autonomous--might orchestrate a pluralistic rural development movement, and asked them to consider as a decisive ingredient the confidence both we and the Chinese put in JCRR.

To put the jurisdictional issue into better perspective, Mr. Hough added some notes on the early history of JCRR which had not appeared in his paper. Apparently the question of JCRR's operational independence had been hammered out on the mainland, after the original agreement between the Republic of China and the U.S. but before the retreat to Taiwan. In 1948, then, JCRR had to contend with a National Ministry of Agriculture and Forestry, and the fact that it won a large measure of autonomy reflected not the absence of competing central institutions but deliberate administrative policy. He emphasized that JCRR was not a substitute for a Ministry, and its mission had always been considered quite different. The Issues Paper, he felt, assigned too much importance to the absence of a central Ministry in Taiwan as an explanatory factor in JCRR's success. The Chairman commented, nonetheless, that in many countries inter-ministerial jurisdictional warfare would almost preclude the possibility of launching a JCRR. The absence of institutional competition is a rare administrative phenomena.

The committee asked Mr. Hough to carry the story forward, to describe JCRR's part in encouraging the development of indigenous agricultural institutions. After all, one of JCRR's objectives was to transfer services to central and provincial organizations once these services has been firmly established. Failure to prepare for such a transfer had been one of the chief criticisms of the Servicios. The Sino-American agreement in 1965 establishing the Fund for utilizing residual aid-generated local currencies after the A.I.D. phase-out narrowed the role of JCRR to advisory services on agricultural planning and research on productivity and development problems. Mr. Hough felt it was fair to say, however, that the Commission has not aggressively pursued the transfer of its operational functions to regular government agencies. He pointed out that the Chinese have serious problems in this regard, one of which is the loss of highly trained professionals to the World Bank and other international institutions. JCRR salaries are competitive with these institutions while those of the central government are not. Admitting these problems, Mr. Pye nevertheless wondered whether JCRR, despite its obvious contribution to rural productivity, may not be fairly criticized on the important point of not having created a successor.

Returning to the autonomy issue, the committee questioned Mr. Hough about JCRR's freedom from U.S. Mission programming and control functions. He said the U.S. budget allocation was made by the Mission Director. The capital transfer each year was preceded by an overall program review. The general absence of project review by the U.S. Mission could be explained by the high degree of competence within JCRR and its joint nature. Mr. Parsons added that during his tenure he had an American Commissioner in which he felt he could put absolute confidence.

Confidence and integrity being such distinguishing characteristics of the JCRR experience, an explanation of the reasons for their presence was thought to be in order. The discussion that followed highlighted three points in particular--(1) the Japanese legacy of skills and institutional backbone, (2) the important residual controls which the Government of the Republic of China was able to preserve over JCRR operations, and (3) the urgency imparted to Chinese policy by the Communist political offensive. As Mr. Despres put it, JCRR had to succeed in building a prosperous and loyal rural sector.

At this point, to help summarize the discussion, Mr. Parsons offered a distillation of his reflections on the JCRR story. Several factors seemed to him to have overriding importance. First, the Chinese realized early in the game that economic progress was more a policy than a technical matter, and bought the JCRR idea because it offered a means for efficient and expeditious decisions. Second, the Chinese staff was dedicated and informed. Many had been educated in the U.S., and the flow of new technical information from their alma maters was deliberately encouraged. These qualities ensured U.S. Mission support, and the transfer of enormous financial resources. Finally, time was running short for the Government, and it had to make a striking success of rural development. It felt they had no choice but to come up with new ways of extending technical information to the farmers and rehabilitating the Farmer's Associations and other rural institutions.

Mr. Bell, reflecting on these and earlier remarks, saw in the JCRR story a curious reversal of the usual argument for joint agencies. Rather than offering a way to make American technicians more effective, perhaps its greatest achievement was in capitalizing on the talents of the Chinese.

In closing, both Mr. Hough and Mr. Parsons reminded the committee that whatever its merits the JCRR model cannot be transferred mechanically or in package form to other circumstances. Mr. Hough recalled that Mr. Parsons' predecessor in Taiwan, now A.I.D. Mission Director in the Philippines, had tempered his earlier enthusiasm for the JCRR model as he viewed it from the vantage of the Philippine situation. Mr. Parsons, in turn, noted that his most successful rural program in Thailand is relatively free of ministerial constraints, but, until recently, involved very little in the way of an American technical presence either. It was obvious that the JCRR offered guides to action, not pat formulas.

Comment:

A problem in discussing the Hough report, or any other evaluation of JCRR, is the difficulty in separating several important but distinct sets of policy and administrative alternatives, namely:

- 1) An advisor-counterpart relationship vs. an operational role for the U.S. technician in any given agency.
- 2) An operational role for the agency (which need not imply an operational role for the U.S. technician within the agency) vs. a partner or sponsoring role.
- 3) Strengthening an agency within the established central government structure vs. developing a new, autonomous unit.
- 4) An agency input at the grass roots level vs. an input one or two levels removed from the farmer.
- 5) Joint operation of the agency vs. pure host government control.

These issues are easily mixed and the committee's discussion tended to slip from one to another. The confusion is partly attributable to the fact that the first part of Mr. Hough's report--particularly the counterpart discussion and the lengthy footnoted quote from Dr. Erven J. Long about the wastage of American talent in advising roles--suggests that an important choice upon which the JCRR experience can be brought to bear is between the counterpart relation on the one hand and joint operations on the other. In this formulation, jointness becomes mainly a vehicle for a U.S. operating role, and the case for jointness depends upon the case for the U.S. operator. Since there is little in the JCRR documented experience to prove that the free-wheeling American was a catalyst of success, the reader could mistake the weak case for the U.S. operator for a weak case for jointness and look elsewhere than in jointness for the decisive factors in success. Thus, in fact, is what the Issues Paper does.

Joint activity does usually imply operational functions for some U.S. technicians. But it implies other things as well, particularly an autonomous agency role in public affairs and large U.S. financial contributions. Thus the case for joint activities is stronger than the case for Americans in operating positions. Indeed, the latter conceivably could be an evil which the Chinese directors had to put up with to take advantage of the other two advantages of jointness. Nobody thinks it is, but nobody can prove it is not.

To focus on the jointness issue, it might be useful to restate the argument as follows. JCRR's success can be attributed to any of seven factors: the U.S. operational role, the large budget, autonomy, a dedicated Chinese staff, the use of sponsoring agencies, the grass roots contact, and Taiwan's favorable preconditions (prior development of rural institutions, responsiveness of the farmers to change, a mixture of dynamism and desperation on the part of the expatriate Kuonintang officials, etc.). Jointness was a vehicle for the first three factors, and may have been the best way to exploit the fourth. If we are

convinced that one or more of these factors played a decisive role--and the consensus of the meeting was that all four were important--then we must accept that jointness itself was an ingredient of success.

On the basis of the available evidence it would be hard to weigh the relative importance of these factors, or, for that matter, of the other three. Indeed caveats were raised to most of them: for example, that some U.S. technicians have proved just as effective in advisory as in operational roles; that the willingness of the U.S. Mission to allocate large uncontrolled sums to JCRR was as much a consequence as a determinant of success, that the JCRR staff was far more active in project planning and implementation than the implicit sponsoring agency model would indicate (notice JCRR does not use sponsoring agencies in its own foreign technical assistance programs). Nevertheless, it would appear that in its vehicular role jointness played a critical part, and one could assume that conditions are ripe for such an approach in many other developing countries--politics and pride permitting.