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INTRODUCTORY SPEECH TO MUCIA/

WINGSPREAD CONFERENCE

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I appreciate the opportunity to provide a bit of context for our discussions of the next few days. This conference, organized by MUCIA, with the support of the Johnson Foundation and in this attractive Wingspread setting, is one of a number of colloquia and symposia being organized to provide the best thinking available on important aspects of U.S. development assistance policies and programs for the next decade.

Michigan State has been heavily committed to this national effort and working with each of the organizers in the planning of these events. A conference on food and agriculture was held at Winrock International in Arkansas a few weeks ago and earlier this week, the World Resources Institute in Washington, D.C. held a colloquium to consider issues of "sustainable development" during the 90's. The National Research Council, through its Board on Science and Technology for International Development, and The Johns Hopkins University School of Hygiene and Public Health, have each scheduled a colloquium on their areas of special concern. The Overseas Development Council, The Institute of International Education, the International Business Council, and a number of other national organizations will, each in their own way, organize sessions between now and early May. Ideas and recommendations emerging from analytical papers we have commissioned and from these

invitational meetings and colloquia will be brought together in publications and at a major conference at Michigan State in East Lansing in mid-May. I hope that many of you will be there.

This national effort is being supported by a number of foundations, including a grant from our Michigan State University Foundation, and by the organizers of these individual events.

All of us involved in this initiative share a strong desire to see the United States play an effective development role in the next decade. Many of us believe that the record of this country in assisting developing countries has been one of the bright spots of the post World War II era. In my personal view, there is no question that U.S. development assistance activity, encompassing the work of many of our universities has had a strong positive impact on the lives and welfare of people throughout the developing world. At the same time it is clear to many who have been engaged in this process over the years, that times have changed, and our policies and programs should change with it.

We believe that there is genuine cause for alarm as we appraise current trends in our policies and programs. There are numerous misunderstandings about the development aid program and there are many criticisms of it in the U.S. and abroad. Most are over stated, some are undoubtedly valid. As we approach a new administration, and view trends both domestically and internationally, it is time for analysis and review of where we have been, what we have learned, and thoughtful projection of where we might best proceed as a nation.

This sense of malaise and uncertainty is based on a number of observations. First, in the past decade the U.S. Congress has kept foreign aid alive only through continuing resolutions. This suggests a lack of public consensus on aid which comes through in so many others ways as well. There is confusion as to its scope, its purpose, and its role in foreign policy.

Second, bilateral development assistance as such, is misunderstood. In the Press, it is lumped together with military aid, relief for disasters, multilateral assistance and Economic Support Funding. It becomes portrayed as a huge transfer of resources to foreign countries--something called "Foreign Aid". In fact, our U.S. official development assistance on a per capita basis is way below others in the Western World. This lumping everything together in the headlines is confusing to the public. For those who know the difference, it should cause some concern.

Third, in recent years we have become increasingly conscious of the fact that many of the important countries in the Third World are no longer part of the U.S. official assistance program. The so called "newly industrialized countries" or "middle income countries" are largely beyond the sweep of bilateral U.S. assistance policies and programs. As several speakers at the Winrock meeting put it, our nation backs away from success by turning away from countries just as they become more prosperous. Is this in our national interest?

Furthermore, the development aid program is subject to severe criticism from those on the Left of our society because it doesn't meet their "ideals"

and by those on the Right, as a poor investment and directed toward the wrong goals. Even among those in the Middle, there is much difference of opinion as to success and failure and what works best.

Finally, the great bulk of what our congress appropriates for development aid goes to just a few countries and is distributed among them on the basis of political priorities rather than development program purposes. I am much in favor of our nation spending money to pursue political goals in the world; but in this case it is at the cost of longer term development needs and our own longer term enlightened self interest. Must it be that way?

These are truly just a few of many causes of concern and uncertainty as we look to the future. When one adds that we, as a nation, are now the World's largest debtor nation, that our nation's economy is in trouble as evidenced by our large budgetary deficit, and that there is great pressure to cut back on all categories of federal expenditure, one can only conclude that serious examination of foreign aid is timely and must occur. As university people experienced in working with developing countries, we should properly be a part of such an examination.

The developing world, itself, has changed dramatically. I referred earlier to the emergence of middle income countries, many of great importance to our nation's economy and to progress in the world. When one travels, one observes new universities, research stations and centers, and other institutions which we, as universities, have helped strengthen. One meets individuals who have attained advanced education in the United States or Western Europe and are clearly our equals in terms of their ability to deal

with their national needs in many fields.

One finds a great residual of good will among the educated people in many of these countries and respect for American scholarship and American colleagues. This, too, is a product of the rather successful track record we have had over the years in developing countries.

There are other changes abroad worth noting. Some years ago, one would find few other advanced nations assisting development. That is no longer true. One now goes to a country such as India, where the U.S. has long been prominent for its development work, and finds that there are at least five or six agencies and governments which are well ahead of the United States in the level of assistance they provide.

In summary, one can point to many reasons for planning for the future on a deliberate basis; and one can find many changes which certainly have to be taken into account as we proceed.

Congressman Dante Fascell, Chairman of the Committee on Foreign Affairs of the U.S. House of Representatives, pointed to these and other changes when, just a few weeks ago, he announced a major review of the U.S. foreign aid program. The intention of the Committee's year long review is to improve the Foreign Aid Bill. Since 1975, the time of the last review, Chairman Fascell points out that, ". . . . much has changed in the world. While the United States has remained strong, many other nations have seen fantastic economic growth. World trade has grown. Interdependence has become a key fact of a global economy and our emerging global financial system. We have begun to

recognize negative effects on a worldwide basis as a result of increased industrialization. To match these new realities, we need to re-assess what the objectives of U.S. assistance should be . . . " We plan to stay close to the Congressional study as it progresses.

Our efforts in this national effort assume that anything the United States government does in the world must be clearly a part of accepted U.S. national interests. Anything that we come up with as a set of new policy and program recommendations to our government must, therefore, fit within such interests if they are to be accepted. They must be based on the political as well as economic realities which prevail.

We are also of the firm conviction that universities do play, and will continue to play, a significant role as this country interfaces with the Third World. Therefore this MUCIA conference is an important ingredient in the overall re-thinking effort.

American universities relate to the developing countries and the development process in many ways - through institution-building and technical assistant contracts, regular educational programs, foreign student programs, research and studies, exchange programs, and others. Many of these are self-funded. Some are supported by the government through the Agency for International Development, NIH and NSF, the USIA, the Department of Education, and others. National foundations support some of our work. Some activities are supported directly or indirectly by multilateral agency funds - e.g. the UNDP, and the World Bank. Some are funded by foreign countries. Taken together, they represent a tremendous overall university commitment, much of

it not affected by U.S. international development policy and program.

However, on balance, much of what we as universities do abroad on development as such is tied to U.S. programs. Certainly, our technical assistance contracting falls largely, though not exclusively, in this category, and our research and training activities in developing countries are also heavily dependent in certain fields on A.I.D. or related programming. Under Title XII of the foreign assistance act, our attention has been heavily focused in the 1980's on food and famine issues, a high priority of A.I.D. and a vital need in many developing countries.

One can differentiate the work of universities as institutions, ~~on the one hand,~~ from the work of our individual faculty scholars. I assume that a good share of our discussions at Wingspread will center on university and higher education institutions rather than on the professor/researcher or the professor/specialist-consultant.

Universities do play a highly significant role in development at present and they have for many years. But one might raise a number of questions:

1. Will they continue to do so in the future?
2. If so, what are the new challenges to which universities should be responsive?
3. Are there new or better ways of going about the university effort in developing countries?
4. Have we moved from an era of development <u>aid</u> to a period of <u>cooperation</u>? Are there, in fact, mutual benefits to be derived

or is this a mirage.

5. What do we in the university world believe to be changes in federal policies and programs which would enable us to be increasingly effective both in working abroad and, of increasing importance, bringing the lessons learned to our own campuses.

6. What changes are occurring or should occur in our own universities which would suggest a different role for the future in developing countries?

All of these are questions to be discussed here. There certainly are others as well.

I am delighted to have been able to work with Francille Firebaugh, Bill Flinn, and others here in planning this conference. Francille has done an excellent job in bringing us all together and providing an interesting agenda. We know that significant papers have been contributed and that discussion will be lively.

I conclude by expressing particular thanks to Dr. Rita Goodman of the Johnson Foundation. I am not sure she realizes it, but she was among the first of the foundation executives to step forth and agree to provide support for this national effort, in this case, by joining with MUCIA in the sponsorship of this conference. Perhaps Dr. Goodman will derive some satisfaction in learning that seven other major foundations have since decided to support our effort. That should be ample justification of her own initial judgement of the importance of this rethinking effort. If that is not

sufficient, the rest of the justification will surely come from the quality of our work here in the next two days and the eventual effect it will all have on U.S. policy and programs of international cooperation in the 1990's.

Once again I thank my MUCIA colleagues for joining in this national idea so quickly and our organizers here today for giving me an opportunity to make a few comments at the outset of our deliberations.

Thank you.