

**UNITED STATES FOREIGN ASSISTANCE
ORAL HISTORY PROGRAM**

FOREIGN AFFAIRS ORAL HISTORY COLLECTION

An Interview with

RICHARD PODOL

1996

Association for Diplomatic Studies and Training
Arlington, Virginia

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ASSOCIATION FOR DIPLOMATIC STUDIES AND TRAINING ORAL HISTORY COLLECTION

The Association for Diplomatic Studies and Training, a non-profit, tax-exempt organization, was established in 1986 to enhance the training of foreign affairs personnel and to instill in the public a greater appreciation for our diplomatic history.

The Association's Foreign Affairs Oral History Program was established in 1988 and is housed in the Lauinger Library of Georgetown University and at the Foreign Service Institute in Arlington, VA. The collection is comprised of oral histories taken from a number of projects, with the unifying factor that all concern the conduct of American foreign affairs and experiences of those employed in the field of diplomacy and consular affairs and their families.

The oral history collection includes interviews done under the auspices of the Foreign Service History Center of George Washington University, which was amalgamated into the Foreign Affairs Oral History Program, the Foreign Service Family Project, the Women Ambassadors' Project, the United States Information Agency Alumni Association Project, the Foreign Assistance (AID) Oral History Project, the Senior Officers' Project, the Labor Diplomacy Oral History Project and others.

The aim of the US Foreign Assistance Oral History Program, in particular, is to develop a collection of oral histories of those who have served USAID and predecessor agencies and those who have served in foreign assistance programs of associated organizations such as private firms, private voluntary organizations, and other US government agencies. The Center for Development Information and Evaluation (CDIE) of the USAID has made a grant to help finance the preparation of 120 oral histories.

For the most part these interviews are carried out by retired USAID personnel on a volunteer basis, directed by the Oral History Program. The interviews are unclassified, and unless so marked are available for use by researchers. Most of these interviews have been transcribed and then returned to the person interviewed for editing. The transcript is an edited version, and is not a word for word rendition of the cassette tape. The editing usually consists of correcting of names and dates that have been missed during an interview. The individual interviewed may also choose to expand upon topics that may not have been developed in the time allotted for the interview.

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RICHARD PODOL
KEY WORDS

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Buddhist

caste system

Catholic missionaries

census project

Central Personnel Office

Chinese

commodity import program

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community development

Congo

Congress

corruption

corruption

country strategy

culture

decentralization

democratic elections

devaluation

development assistance

Direct hire people

Dr. John Hannah

economic policy reform initiatives

elected local councils

environmental programs

export promotion

family planning

family planning

flood protection

Food for Work

Grameen Bank

health program
Henry Kissinger
high school science programs
Hindu
human capital
Hutu
immunization program
import substitution
India
Indian Institutes of Technology
Indira Gandhi
industrialization
Inservice Management Training
institution building
interest rates
International Cooperation Administration (ICA)
Korea
Labor unions
livestock development
local currency
macroeconomic policy
Masai
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Mobutu
Nepal
North Shaba project
organizational culture
overpopulation
Pakistan
Participant Training
PL480 Title II
President of Turkey
primary education
Program and Policy Coordination (PPC)
Protestant missionaries
Public administration
Punjab, the
road building
rural electrification
Russians
Rwanda
seed
socialism
Sudan
supporting assistance

Taiwan
Tanzania
Tibetans
tribalism
Turkey
Turkish GSA
Tutsis
Uganda
Uganda
Vietnam
Villagization program
World Food Program
Zaire

**United States Foreign Assistance Oral History Program
Foreign Affairs Oral History Collection
Association for Diplomatic Studies and Training**

An interview with
Richard Podol

Interviewed by W. Haven North
Initial interview date: September 12, 1996

Q: This is an interview with Richard Podol, who served in the Foreign Assistance Program for how many years?

PODOL: January 1961 to July 1989; 28.5 years.

Early years and education

Q: Let's start off with a little bit of background about your early life: where you were born, your schooling and so on, and then go on from there in your career.

PODOL: I think my early life will give some insight into why I joined AID and why I wanted to work overseas. I was born in Chicago, July 1928, but moved around considerably as a child. So, from the time I entered kindergarten until I finished high school, I attended seven different grade schools and then two high schools. My father changed jobs. My mother was ill and in a medical facility and I'd lived with aunts and grandmothers and this kind of thing. I lived in Chicago; Long Beach, California; Los Angeles; and went to high school in Chicago and also in a small town in Iowa: Oskaloosa. So, I really had no strong roots anywhere in the United States and, as an only child, I had no strong family connections also that would keep me here. Also, I was a child of the Depression and later World War II. I was in high school all during World War II. I was still old enough to see the effects of the Depression up close, in Chicago in particular. I think I developed something of a social conscience and, at the same time, with WWII during my teenage years, an interest in foreign affairs. I always had an interest in foreign affairs. I have one vivid memory, believe it or not: July 1937, sitting on the floor of the living room of our apartment, reading about the Japanese invasion of North China, and talking to my father about it. So, I think my interest in things international go way, way back as far as I can remember. Later on, an interest in AID was strengthened by my experience in Korea. I was in the Army in Korea during the Korean War, in what might be called the "Working Army," rather than the "Fighting Army." I remember one day we were taking the garbage out to the dump. We had a 2.5 ton truck that was open and it was filled with garbage, American garbage. My job was to

shovel it off the back end of the truck. As I was doing this, there was a woman with a child strapped on her back, pawing through this garbage as I was unloading it from the back of the truck. This was another thing that I think stuck with me, although I was a little older at the time. Education-wise, my Ph.D. is in Political Science, with an emphasis on international relations and public administration.

Q: Where had you gone to college?

PODOL: University of Iowa. All three of my degrees are from the University of Iowa, though broken up by service in the military between my Bachelor's and Master's, and I was working full time with the government when I got my Ph.D.

Q: What were your majors? What were your areas of special interest?

PODOL: International relations, public administration, though at that time in that school, there was no special course entitled "Public Administration." It was all underneath the Political Science Department. And American history and government. Those were the three I specialized in.

Q: Any particular reason why you selected those over other subjects?

PODOL: Interest. Always had an interest in that field, ever since I can remember. I can't think of any special reason why. I just always had it. Public service was a respected profession in those days.

Q: And then you went on to get a Doctorate in Public Administration or degree?

PODOL: No, Political Science was the title, because they didn't have a "Public Administration."

Q: What was your focus in your doctoral work?

PODOL: I wrote my dissertation on "Inservice Management Training in the United States" because I was working in that field, as I'll explain in a little while. So, my emphasis then was on management training, but short course in service management training type programs, as opposed to university type activities.

Q: Government training?

Joined U.S. Government in management training programs - 1954-1960

PODOL: Both government and private sector. After coming back from Korea in 1952, I went back to Iowa, got my Master's. Then, in 1954, went to work for the U.S. Government, where I spent my entire working career after that particular point, though I

had worked a little bit in the private sector before then. My first job was with the Internal Revenue Service. I came in in one of these intern programs.

Q: Junior management intern?

PODOL: Yes, "Junior Management Assistant," I think it was called back then. My first job was as a management analyst and then I became chief of the training branch at the district office in Springfield, Illinois. Those were important in my future career with AID.

From there, I moved to the Department of the Army's Central Management Training School at Rock Island, Illinois, where people were brought in for anywhere from one to four weeks, again short course training in various management, and industrial engineering and management subjects, which included foreign students. So, I taught courses and also served as a management consultant - went out to various installations and made studies. This was my pre-AID career.

Q: What kind of training was- Was it across the board types of training in the short courses or was it- What were the fields?

PODOL: They had what was called the "Top Management Seminar." This brought in very senior officers and civilians from various Army, Air Force and Navy installations around the country for one week. A "here's modern management and here's what we do" kind of program. The other courses were for technical people. It might be a course in quality control, a course in organization analysis, a course in methods, work measurement, this kind of training.

Q: This period was from when to when?

PODOL: I started in 1954 to the end of 1960. Two years in Internal Revenue Service, four years with the Department of the Army.

Q: All of the same type of work?

PODOL: Yes.

Q: And then what happened? You say the only international element was some international students? Did you spend much time with them?

PODOL: If they were in my course, yes. Talking about what it was like to work in their particular countries and so on.

Q: Anything more about that period that you want to emphasize?

PODOL: No, I don't think so.

Q: And then you moved to AID?

Employed by ICA as a public administration specialist in Turkey - 1961

PODOL: Yes. I always had it in the back of my mind that I wanted to work overseas, but I wanted to work in development more than I did in traditional State Department type activities. In 1960, AID wasn't AID at that time. It was ICA, but it was in a period of expansion. So, jobs were available. The first time, I was asked if I wanted to go to Vietnam in public administration.

Q: How did you hear about AID? Where did you learn that they were looking for people?

PODOL: AID was sending people out to various parts of the country on recruiting drives at that time. At gatherings of Societies, like the Public Administration Society, they would have people there recruiting. This was really my contact with AID. I was asked if I wanted to go to Vietnam. This was in 1959, '60, but the Mission out there said I was too young. I was only 32 and that wasn't old enough for them, so they turned me down. How I got with AID was, I happened to be in Washington on a short term assignment, and I went into AID to see what was what. They said, "Hey, how would you like to go to Turkey?" So, it was by chance, of being at the right place at the right time, you might say, and I said, "Sure." And so I went to Turkey in January 1961.

Q: What position were you?

PODOL: I was a Public Administration Advisor. Those were the days when we had very large public administration programs and also very large Missions. My first job was with the equivalent of the Turkish GSA, again as a Management Advisor. My first function was to set up an Organization Methods Unit, train the staff and then carry out various studies. This was the first O&M Unit in the Turkish Government. Other government agencies found out about it and they sent people to me for training also. So, this was my first tour.

My second tour, I was assignment to the Central Personnel Office, situated in the Prime Minister's Office. My function there was to help them set up the government's first Inservice Management Training Program and various programs and courses, which I did and then taught throughout the country in various government agencies.

Q: You were really more a part of the project than a part of AID Mission management?

PODOL: Exactly. The only time I was in AID was to pick up my mail or for the weekly staff meeting. I was a loner, you might say, I was the only American AID person in the offices in which I worked, so I was working pretty much on my own.

Q: Was there a project created for this or was there just-

PODOL: In those days, I really had no idea how AID functioned from a management standpoint. When it came time to do the annual budget and work program, there was a program assistant in the office, because it was a big Public Administration Office. He came out and said, "Hey, what do you want for next year?" And that's all I knew about the system.

Q: Were there a lot of other public administration people?

PODOL: Yes, quite a few in various government agencies. As my reputation grew I was able to involve other members of the Mission and also worked with staff of the Public Administration Division in setting up programs in their counterpart agencies.

Q: But you were the only one doing the training program side of it?

PODOL: That's right. And I also did a lot of public writing and publishing and did a booklet on modern management methods that was published in 8,000 copies and distributed throughout the country.

Q: In Turkey?

PODOL: In Turkey; in Turkish.

Q: Who was in the Mission at that time. Do you remember?

PODOL: Stuart Van Dyke was the Mission Director. But it was one of these Missions that was so large that you could go there for two years and not really meet people. And also, not working in AID, I had very little contact; and Mission management had very little contact with me.

Q: You found that worked perfectly well? Did you have any issues or problems?

PODOL: No, I found it worked very well because the Turks were very cooperative. I didn't have a lot of problems working with them.

Q: Who were you working with specifically in the Turkish system?

PODOL: In both cases, with the head of the two organizations because my counterpart was the head.

Q: You were supposed to be training them as well in the inservice training?

PODOL: You raised a good point and let me get to this one. First, I want to say, I came back to Turkey in 1975 - I'd been gone 10 years - to visit old colleagues and friends. Just by chance, one of the leading newspapers in Istanbul was running the articles that I had

written a dozen years earlier in their newspaper as a series. A lot of this took. In fact, one of my key assistants when I was in Turkey is still today the head of the Management Training Institute of one of Turkey's largest conglomerates. So even the people I worked with did spread out.

Getting back to your question, let me put it this way. One of the first things I learned was that, to be a successful agent of change - and this is what we were; we were agents of change - you had to understand the culture of the country in which you were working and the culture of the organization. Organizational cultures do vary, as you know. So, you had to learn both. You had to learn why people did things the way they did. I found that this frustrated a lot of Americans, who would come in with an American point of view: "This is common sense. Why in the world aren't they doing it?" At that time, we were just thrown in. There was no training, no attempt to gain an understanding of these local cultures and their importance in how they worked. With the Turks, there was very little up, down, or lateral communication among various people in an organization. The reasoning is that they felt communication, or telling people what they knew, would mean a loss of power and a loss of control. So, they didn't do it. This, of course, was very frustrating to outsiders and also insiders at times. When they tried to find out what was going on, they couldn't. There was a meeting of Regional Administrators from one organization in which I worked, which was the equivalent of our Commodity Credit Corporation. They did the procurement of grains and so on. These people came in and I had one day with them. I asked them to list the kinds of things they would like to see changed or improved upon. And this was the first time this had ever happened, and they gave me a long list of items which I took to the head of the organization. But subordinates would never think of doing that. This was outside, in the cultural sense, of the way they functioned and operated. You didn't ask people's opinion. You just told them what to do - very structured, military type organization, society. This is what Turkish society was: structured in the military sense at that time. But it was changing. There was quite a difference between those over 40 and those under 40. The younger people, their attitudes were different and you could see the differences in the way they operated.

Q: In what way?

PODOL: They were far more open to change, far more open to talking about problems, ideas than were the older people. People over 40, as a foreign language spoke French or German. Those under 40 spoke English. I'm not saying that is what made the difference, but it shows you the generational change in the view of the outside world.

Q: Did you speak Turkish yourself?

PODOL: Yes. That is, I could make myself understood and I could understand what was being said to me and I could travel all over the country. I got to 60 of the 67 provinces in Turkey - a great highway system, built by NATO. Yes, I could. In complex meetings,

though, I relied on an interpreter because you could make mistakes in nuances and so on. But in normal conversation, yes, I could speak Turkish.

Q: What were some of the issues, apart from the one of communication, that you had to deal with? What kind of problems were you trying to address?

PODOL: Because of the nature of the society and at that time - this was 1961 - they had minimal exposure to either Europe or the U.S. to outside influences. They weren't attempting to join the European Community and so on. So, they had been cut off pretty much from the latest technology and thinking in the field of management. So, what we were trying to do was introduce them to my field, what we would call more modern or different techniques and technologies that could be used. A simple thing it may sound like. But in the GSA in which I worked, everything was done manually. So, if somebody went down to the warehouse to get supplies, he'd pick them up in his arms and he'd carry them off. I went to our PX and got a grocery cart and brought it over to them. Now they used a grocery cart to put the things in and that increased efficiency in a small way. What I'm saying is, this was the state of the art at that time. Getting back to your question, we developed what I called a "management in depth training approach." I found out very quickly, you could, let's say, have training programs with middle management and they could implement some of the things you wanted them to do, but their subordinates could kill it because they felt threatened by it or their bosses would kill it because they didn't understand. So, if you really wanted to do something, you had to train at every level in an organization - training in depth in the organization. Then you could begin to see changes being made.

Q: So you had joint classes or separate courses for each level?

PODOL: Separate for each level.

Q: But it was the same concept, roughly?

PODOL: Yes. Different levels of details, of course, for different levels.

Q: And you found that worked pretty well?

PODOL: It worked better than anything else. Over time. You don't change people's thinking overnight. No, it takes time.

Q: What were some of the major areas of change that you were pursuing and seemed to take over time?

PODOL: In my first job of setting up the Organization Methods Unit, the head of the GSA equivalent really wasn't convinced this was a terribly good idea. So, he gave me to train, people he thought were excess to his operation, instead of his best people. But once

they went to work and demonstrated what they could do to improve methods, which didn't threaten people, he changed his mind completely. It became an important part of the organization. They did various studies that led to improvements in the way supplies were handled, purchased, things like this.

Q: So you did a lot of studies of the systems that are used and you yourself came up with recommendations for change?

PODOL: I started, but, once I trained people, my job, in my mind, was to institutionalize this by letting them do the work and then they could consult with me if they had a problem.

Q: So, you institutionalized this Organization Management Unit to do both the studies and training?

PODOL: Yes, in several Turkish government agencies.

Q: How big were these units?

PODOL: Three or four people.

Q: And they stuck, they lasted?

PODOL: They did during the time I was in Turkey. I, of course, have no idea what it's like today.

Q: But then you said you went back and you found-

PODOL: I found that the ideas were still percolating around, but I didn't visit the organizations that I'd worked in, so I don't know what was happening.

Q: How did you find living in Turkey as far as just the general social environment?

PODOL: The best of any country I was in. The Turks considered themselves to be Westerners, or they were trying to become Westerners. They had never been colonized. In fact, they'd been the imperial power. So, they didn't have that kind of resentment or barrier, where they looked at Westerners as the dominating, controlling force, as I found to be true sometimes in Africa and Asia. Also, when I went to Turkey, I was single. I made friends with Turks my age, some of whom had been educated in the U.S. We traveled all over the country this way. They didn't feel at all hesitant to make friends and be seen with Americans. I must admit to having a strong bias toward Turkey. I met my future wife there. She was an AID employee on her first overseas tour, and our two children were born in Ankara. I can say that both my personal and professional life really began there.

Q: You found that they were fairly often friendly to you?

PODOL: Once they come to accept you - it may take a while, because they're not outgoing people - you can't have more loyal friends. In fact, 37 years later, I'm still in contact with some of those people. I've been back to Turkey twice and stayed in their houses and traveled with them and so on. A great sense of loyalty. That changed a little bit over Cyprus. When I was there, the Turks were ready to invade Cyprus, when Lyndon Johnson pulled the plug on them. That soured relations a bit, in general - not with specific relations I had, but in the press and media in general. Before that, they were extremely pro-American.

Q: Was the general atmosphere one of modernization and leadership and change?

PODOL: The generation in power was the old school. The Prime Minister had fought with Ataturk in the wars in the twenties. He'd been his number 1 man. But the people that were being trained- The current President of Turkey, the former Prime Minister, was the first AID participant. He was the head of the water resources operation. And there were a lot of other people that way, that were AID participants that, in my time, were just beginning to get into positions - the junior and middle level positions. Those were the people, I think, that made the difference. Going back to Turkey even ten years later and then more so in the early nineties, the differences in the cities were enormous. You couldn't believe it was the same country. The changes were so great. So, it took - in the West. The East is still a problem, of course.

Q: But the public administration work, that wasn't much appreciated? There wasn't much enthusiasm for it? What is your reaction to some of the concerns of public administration not being particularly relevant to the development process?

PODOL: I guess I do have a bias, but I think it's a mistake. We seemed to fail to recognize in our zeal for the private sector, that government plays a major role in developing countries - much more than maybe here - because of the weaknesses of the private side. If government is not effective and efficient, it's a drag on the entire economy and on development.

Q: Maybe we'll come back to that. So, then you finished up in Turkey in 19-

PODOL: 1961 to April 1965.

But before I leave Turkey I would like to add another piece to my work experience. In the early 1960s, the U.s. had a large military assistance program throughout the world. The Air Force based in Germany had a management training program, among many other training initiatives, for top level officers in the countries where we had military assistance missions as well as with our NATO allies. As fate would have it, their first top

management seminar was to be held in Turkey. When they found out I was there, they asked me to participate. The Mission agreed.

Based upon the success of that seminar, I was asked to participate in those upcoming in the next two years. The Mission most generously allowed me to "moonlight" for the Air Force. So I was involved in programs in Belgium, The Netherlands, Spain, Pakistan, Portugal, Iran, Ethiopia, Korea and The Philippines, often as Conference Leader. I won't divert from my AID experience here, but it was a learning and broadening experience for me which I applied to my future work.

Q: And then what happened?

Transferred to Nepal as Chief of the Public Administration Division - 1965

PODOL: I went to Nepal as Chief of Public Administration Division there, with a second function as an advisor on manpower development to the Minister of Planning and helped write the five year plan on manpower. That was my first contact with the Russians. They had a Russian advisor there also.

Q: This was the time when people were writing manpower development plans. What was your view of that experience?

PODOL: It was extremely modest, as it had to be. Nepal in the sixties was not ready for development as we understand it. On one side, the King and his cohorts, his extended family, controlled the economy. Any business, they were into it and had to be into it, which had a very negative impact. On the other hand, Nepal wasn't a nation. It was a series of isolated mountain valleys and the loyalty of people were to their own clan or tribe, not to Kathmandu, not to the capital, not to the King. An example of the situation: I remember once going on a so-called "field trip," which was 15 miles down the road, to another town, from the capital, Kathmandu. My counterpart needed an interpreter - 15 miles away - because we weren't talking to the educated. We were talking to the village women about family planning. He needed an interpreter. That shows you the nature of the country. We used to say that in Nepal, you have two choices: you either fly for 30 minutes or you walk for 30 days and that was reality. Government civil servants would be gone. They'd be out in the field and nobody would ever hear from them for six months at a time because there were no communication systems.

Q: What were you trying to do in that position, in that context?

PODOL: Very modest. All you could really do are some of what we might call very basic things. You built some roads, you tried to set up primary education, and basic health. In public administration, again, it was a question of some basic training in methods and organization.

Q: Very basic training?

PODOL: Yes.

Q: Was this government-wide?

PODOL: Yes. The Minister of Planning had been a U.S. participant. He wrote the King's economic speeches.

Q: Do you remember his name?

PODOL: Bekh Thapa. He's been Ambassador to the U.S. and he's still around. He'd write the speeches in English and then he'd translate them, because he didn't have a vocabulary in his language that he could use to write them out. So, he had to write them in English and then look for terms that he could translate into the local language. I also did a study on government decentralization for the Home Ministry.

Q: What were your conclusions in that study? They had a fairly decentralized situation anyway, in some respects.

PODOL: I'll tell you what one found. You had elected local councils and you had local administrators appointed by the capital. Often, the head of the local council would move into the local administrator's office, put his desk next to him and try to dictate local administration. The big problem, you had local administration, as opposed to local government, with power. You had a number of departmental officials, all appointed out of the center, on roads, health, agriculture, what have you. This local administrator was supposed to coordinate their efforts and give them direction. It doesn't work.

Q: This system was in place, though, when you were there?

PODOL: This was the system in place. The loyalty of each of these individuals was not to this appointed administrator, but back to the department in the capital. So, you had nothing but problems trying to get these people to work together.

Q: What was your plan? What were you trying to bring about or change?

PODOL: I found that you could point out the problems and discuss them, but, again, the nature of the beast was that you could do very little about it. You couldn't change the way that people operated. They didn't want to lose control from the center, and the promotions came from the center. You just could not do much about it at all in the given circumstances.

Q: What were some of the major problems that this arrangement resulted in?

PODOL: Now you're testing my memory. I can't think of specific examples right now.

Q: So you worked on decentralization issues. You worked on organizational management training. And they did manpower planning? What was that?

PODOL: Very simple, because there was no data. You couldn't predict the needs five years down the line because you didn't know what they had now and they had no idea where they were going. So, you could do just very basic, very simplistic, general things.

Q: This was identifying numbers of people required in agriculture, health-?

PODOL: Right, and therefore setting up programs to recruit and train them. But they didn't have a database that you could work with, so numbers were not too meaningful.

Q: But you had some soft targets, I guess, for who to train?

PODOL: Yes, we did the best we could. AID had a major training program sending Nepalese to the Indian universities for training, for basic, Bachelor level degree training.

Q: Were you involved with the Mission structure very much at that time?

PODOL: With AID, yes, and with the Embassy. Since I worked in government, the entire government of Nepal was in one, huge building, called "Singadurbar." So, everybody was there in one building and I had entree to it and worked in different departments. So, the people in the Embassy, the Political Officer, would come to me and say, "What's going on?" I had much better contacts than they did, in personnel changes that were taking place, certain policies that were taking place. To give an idea of what you're putting up with, they took me down in the basement one day, the people I worked with, and showed me a huge metal box. When I say "huge," it must have been seven or eight feet high, maybe 15 feet long, and square. They said, "In days gone by, this was the Treasury. Whenever the Treasury got any money, we'd put it all in this box. Whenever the King needed any money, somebody would go and take out what money was needed to pay salaries and so on. That was the financial system of the country not too many years before we got there, to give an idea of where they were.

Q: Do you have any examples of the structure at that time? Everything was hand written, I suppose? Filing system?

PODOL: The filing system: you'd didn't have filing cabinets. That didn't exist. You put things on shelves. You'd have a bundle of papers, and you'd tie them up with a ribbon. In some offices in the field, they'd hang them from the ceiling because they didn't have space for them. How you found anything-

Q: How did an action take place? A decision was made and how was it implemented? How did the system work?

PODOL: You issued orders and you assumed they would be carried out. Let me give you a couple examples of the problems working there. We had an advisor with the equivalent of the General Accounting Office. His job was to train the accountants for the field offices. His time was up and I went to see the head of the General Accounting Office and said, "He's done his job. He's going home and he won't be replaced." The man said, "No, you can't do that to me. You've got to give me an advisor." I said, "He's done his job. Why?" He said, "Because my Minister will not pay any attention to what I tell him, but your advisor, if he goes to the Minister and says, 'You've got a problem. You've got to do something,' he'll be listened to." This was the first time I came to realize that there was a role for the foreigner that one hadn't appreciated before, at least in Nepal.

Q: Did you find yourself in that situation?

PODOL: Yes, which meant you had to be very careful of what you said and did, because it could have an impact beyond what you might appreciate. A part of it's the caste system. Nepal is a Hindu Kingdom. The northern third of it is Buddhist and isolated, but the southern two thirds are Hindu. It's a Hindu Kingdom and caste is extremely important. You didn't give much weight to somebody who was below you in the caste system. A small example: one of my very closest friends - I mean, social as well as work-wise - was a senior official in a Ministry. I went into his office one day to talk to him. He's sitting in his chair about 1½' from the window behind him and I'm sitting across the desk and we're chatting. The sun had burst through the clouds and it was bothersome. He had a shade right behind him, within arms reach, but he wouldn't touch it. He called in his administrative assistant and told him to lower the curtain, which he could have done by reaching back in five seconds. But that's the mentality you're dealing with. You have to learn to work with it.

Q: How did you find working with the Nepalese?

PODOL: The Nepalese are extremely different from the Indians, which we'll get to. The Nepalese were very low key, very nice people. So, they were easy to sit down and talk to. But their ability to get anything done was extremely limited because they had no resources. If you can't reach your field people to talk to them or communicate in any way with your field people, how can you run a government? How can you do anything? The government was limited pretty much to the valley, the Kathmandu Valley and the southern strip, which was called the "Terai," which was level land. It had very little influence in the mountains.

Q: And communication even in the Terai was very limited?

PODOL: Yes. We had built, under the AID program, some roads, and that was not too bad there.

Q: Were you aware of the larger purposes of having a foreign assistance program in Nepal, of why you were there?

PODOL: Partially. Some of it was highly classified and was kept from me. For example, we had a "police program," which was theoretically part of the Public Administration Division. But the one American in that program reported right to the Mission Director.

Q: Who was the Mission Director?

PODOL: Joe Toner. What you have to understand was going on in Nepal, this was the time of a lot of conflict in Tibet. Tibetans were up in arms against the Chinese in the mid-60s. I was about to say "we," but I don't know who the "we" is, but somebody was running guns to the rebels, the Tibetan rebels and the channels of supply were through Nepal. Once, I came across a mule train, loaded with weapons and ammunition in the hills going north. I think they were flying in supplies, too. So, that was part of our reason for being in Nepal, I think, though I'm speculating because I have no real proof of this. Secondly, we were worried about Chinese penetration. The Chinese were in Nepal. Some of them were talkative about their aims, because they were headed toward India. They just had built a road from Tibet, down to Kathmandu - the first road leading south. The bridges they built were heavy enough to hold tanks. One wondered why they needed bridges capable of holding tanks. So, this was the other concern: Chinese penetration into Nepal.

Q: The flavor of working within an environment like that- You were largely based within the government situation there?

PODOL: Yes, but I also had to run a division. We had three or four projects. I had people working for me on those projects. One was with the Census Bureau and another with Accounting. So, I had to manage also. So, I had a dual role.

Q: How did the census project evolve?

PODOL: Well, it was the first effort. Our advisor had to go out and ride an elephant in one area.

Q: This was the first census they'd ever had?

PODOL: As far as I know - nationwide.

Q: And you helped organize it - and your project people?

PODOL: I didn't personally. Yes, the project people did and they had collected data and they were-

Q: These were Bureau of the Census people?

PODOL: This was a direct hire AID person, at the time. These were the days when AID was large, before the cutbacks were started.

Q: You used direct hire expertise?

PODOL: Yes, at that time. We had some contract, but we had a lot more direct hire than we did- starting with Lyndon Johnson's "Balpa" exercise in the late sixties.

Q: Was a census taken of the whole country?

PODOL: Yes. You couldn't say it was 100 percent reliable, but it was something they'd never had. It was being compiled while I was there. It hadn't been published when I left. It was still being analyzed, put together.

Q: Were there any issues related to the census?

PODOL: No. You just had to get there.

Q: They had a fairly large Census organization that you had to train, is that it?

PODOL: Our division, yes. But the real thing was, what do you do with the data once you get it. They had no mechanical capability whatsoever. Everything had to be compiled by hand.

Q: Were they introducing equipment at that time?

PODOL: I think there were some things basic- But nothing electrical. We didn't have power that you could- In fact, in the government offices in the winter, when the sun did not come out so frequently, people would have to move out on the balconies to work. They didn't have enough light in their offices, natural light. It was very primitive.

Q: Pretty basic living? How did you find living there?

PODOL: You should ask my wife that. The bulk of our food was imported from India, or if we had some from the States in our shipment. The electricity bounced up and down. You had to have regulators. We had a kerosene stove and refrigerator, which caused problems, and kerosene heaters. All water, including water for dishes, had to be boiled before using. If you put it in American terms, AID terms, living was pretty primitive. You didn't really suffer, but it was primitive by American standards. You just had to make do

with what you had. Again, in a Hindu society, where jobs are very rigidly determined, you had to have a household full of people- This one did one task, this one did another task, and that was the way they had to function. So, it caused problems. But on, when the clouds lifted and you could see the Himalayan Range - what a beautiful sight. and glying along the mountains was something special.

Q: You were there how many years?

PODOL: Two years.

Q: Did you have any sense of the effect, or the impact, or the results of your work?

PODOL: Not really. Only that there was again, as in Turkey, a younger generation more in tune to change and development, who was interested in trying to do something, but had very few tools with which to work.

Q: You sent a lot of people for training abroad?

PODOL: Mass training was in India. We'd send them to the States- Once, I did a chart on participant training for the Embassy. We were all surprised. Their Civil Service was structured along British lines. You had Officers and then you had workers. So, you had about four levels, Officer level. And we were all surprised by the number of Officers that had been U.S. trained.

Q: Were we the major assistance program there at that time?

PODOL: India. Remember, India dominated the country and wanted to continue dominating. Another reason the Nepalese wanted us in there was to fend off the Indians, to give an alternative. India dominated Nepal, politically dominated Nepal, and tried to dictate policy. They had a large aid program.

Q: Did you have to deal with Indians at all?

PODOL: I didn't, no.

Q: They weren't involved in your public administration work much?

PODOL: No. The Indian Ambassador liked to dictate, sit in Cabinet meetings and things like that. But the U.S. influence was great. The Deputy Mission Director, and the DCM used to have meetings with the Prime Minister in the evening in the Prime Minister's home - just the three of them. They'd sit down and talk, which was an indication of U.S. influence at that time. Eventually, the Crown Prince, who's now King, went to school at Harvard for a year, to Britain for a year, so he got exposure to the West.

Q: Did you travel around the country much?

PODOL: Yes, but, as I mentioned, it wasn't easy. We had our own airline in AID: we had a helicopter and we had a short takeoff and landing aircraft. Using those, I saw most of the country. Sometimes, we went out by four wheel drive vehicle, which took a lot longer. Slept on the ground or slept in the schoolhouse or whatever.

Q: You did a lot of walking through the countryside?

PODOL: I didn't, no. Some people did; I didn't. I didn't climb the mountains either.

Q: But you dealt with the village administrator groups and management groups?

PODOL: Yes.

Q: What kind of sense did you have of them and their commitment to their work? Was there any real development interest?

PODOL: Most of the civil servants were interested in trying to do something. But, again, they were working with very few resources. Nepal held its first elections for local government when I was there, called the "Panchayat." I was part of the process of studying how the elections were working out for the Home Ministry, with the local government. The first time the elections were held, the real power people in the villages poo-poo'd it, said, "This isn't going to be worth anything." So, people who were elected were popular people. When they found out then that these local councils had some power, the next set of elections, the people who had the muscle took the offices.

Q: The original people elected were fairly popular?

PODOL: Yes. These were real, democratic elections and the popular people won, but then the people who really had the economic or social power then took over in the second round.

Q: Who were those people?

PODOL: They would be landowners, or high castes.

Q: But you were involved in helping to set up this election process?

PODOL: Not set it up, but observe it, study it, report on it.

Q: Did you visit a number of the areas and watch the process?

PODOL: Yes.

Q: And you found it fairly democratic?

PODOL: Yes.

Q: And well managed?

PODOL: Yes. No such thing as violence or anything like that.

Q: Or corruption or fraud?

PODOL: No. There wasn't anything that seemed to be gained by it, so there was no corruption.

Q: It was just a game?

PODOL: Yes.

Q: They had fairly good administration for getting it organized and set up?

PODOL: Yes.

Q: This was their first election, in 1960-?

PODOL: It could be 1966, around that period. That was their first experience with local elections.

Q: And this was in all parts of the country?

PODOL: Yes.

Q: Do you have any sense of what happened since then, if it's continued?

PODOL: Yes. What continues is the classic fight between centralized authority and local authority, their power, which we seem to have in our own country. They've been going through that for 30 years now.

Q: How would you characterize the development type organization? What were they trying to do?

PODOL: The name of the game to get central government resources, money, because they could build a few roads or a health clinic or a school. It was that basic. That's really all you had.

Q: And these were AID projects in many respects?

PODOL: Right. We had one project where we were working with the government printing plant, printing textbooks, compiling and printing textbooks.

Q: Anything more on your Nepal experience?

PODOL: I think that's about it. It sure gave one a sense of timing, the importance of timing in getting anything done.

Q: What do you mean by that?

PODOL: Well, that in a country like Nepal, you had to settle for the very minimum amount of change or implementation in your time, because of the nature of the situation. When you got to another country that was far more advanced, you could get a lot more things done in the same period of time.

Q: In the sense of how long it took to get things accomplished?

PODOL: The country wasn't ready for development. It didn't have the manpower base. It didn't have the physical infrastructure. It had neither and there was the question of what kind of change those in power would tolerate.

Q: What I presume was one of your efforts was to start the process of building that base?

PODOL: That's what we were doing.

Q: Starting from square one, so to speak, in the development process. And that process has gone on ever since. Let's turn then to after you left there in 196-?

PODOL: 1967.

Q: 1967. And you were assigned-

New assignment and role as Program Officer in the India USAID Mission - 1967

PODOL: I just moved down the road to India.

Q: To do what? What was your position?

PODOL: I was the Chief of the Program Office.

Q: You left the technical area and moved into Mission management, right?

PODOL: Right. To show you sometimes how recruiting was done, when I was in Nepal still, Ernie Stern, whom I had known from Turkey days and was the Deputy in India, came up to Nepal on a visit. We got to talking and he said, "We're looking for a Program Officer. How would you like to try it?" I said, "Sure." Over the objections of AID Washington, who didn't think I was qualified, the Mission Director - who was very well-known: John Lewis - agreed and I came down. This was the time when India was the largest AID program, other than, of course, Vietnam.

Q: It was a very exciting time, with those people to work for, the stars in the development business?

PODOL: Absolutely. It was a very high-powered Mission.

Q: Tell us about your work there.

PODOL: Mostly, working with the Indians was a very different experience from anything that I had had before. The Indians had a very superior attitude toward foreigners. In fact, they could be very arrogant, until you got to know them well. They are the most philosophical and intellectually-minded people that I have ever known. This is the way they approached any kind of situation: from an intellectual, philosophical point of view. Their knowledge base is far superior to that of we Americans, in their fields: philosophy, for example. But their hands-on experience was minimal.

Let me give you an example. We had a Minerals Advisor. This was a huge Mission. We had a Minerals Advisor. His grandfather had been a very well-known American philosopher. In fact, there's a building at the University of California named after him. The first time he met his new counterpart, he was asked, "Are you related to so and so?" He said, "Yes, he was my grandfather." The man said, "Well, I've read all his books" and he started quoting chapters of verse from his grandfather's works. And the guy said, "Gee, what have I gotten myself into?" This was a geologist. They went out in the field and our guy started pointing out certain rock formations and the Indian was lost. He had not done field work. His academic work was in the university, in the classroom, not the field work. This turned out to be very typical of India at that time. The Indians in the laboratory did excellent work, but they would not go out on the field and get their shoes dirty, or their hands muddied. You had to drag them out of the laboratory into the fields on the research side. It's the same mentality I mentioned earlier: we've got peons that can go out and do that kind of work; we don't have to do it. I found that, if you wanted to work with Indians on something like economics, you couldn't have a more skilled group of people. Today, you want software engineers? Get Indians. Their mentality is such that they do brilliant work in this field. But you want people to go out and survey the field? That's where they're lagging. That's changing today.

Q: Let's look at the larger picture of why we had such a major program in India. You were in the Program Office, so you were writing the strategic plans.

PODOL: Actually, I don't know that there was such a thing at that time. In fact, this was the time we set up the first Evaluation Officer positions. We didn't have that either. Why were we in India? Because India was of political importance. I'd come there just after the border war they had with China, so this increased our AID efforts there. We were trying to move India over to the Western side from their generally neutral position, and sometimes their anti-American position. So we had this enormous program - PL480 as well as dollar programs.

Q: What was the strategy or the concept behind what you decided to do or not to do?

PODOL: This was here in the days when AID did everything and, you name the field, we were into it in India.

Q: Such as?

PODOL: Labor Unions.

Q: What other areas?

PODOL: We were into developing - this was one of our special efforts - an Indian university of technology. We were trying to develop six agriculture universities.

Q: You mentioned mining.

PODOL: Yes, and science. We were developing curriculum for high school science programs. The National Science Foundation was involved in training teachers. You did much of it in India. You brought people out because the payoff was so much greater.

Q: You were heavily in the macroeconomic aspect of it.

PODOL: Oh, yes. And trying to get India to adopt certain macroeconomic policies.

Q: Were you involved in those discussions?

PODOL: No. This was John Lewis, the Mission Director. This was his field. Getting India to devalue, for example. Indira Gandhi was Prime Minister and she wasn't exactly pro-American in any shape or form, so it was difficult to work with her.

Q: What kind of program were you trying to cover or promote? What did you think were important?

PODOL: We had a major export promotion project, too. My interest personally was in institution building. The Indians are very good at setting up organizations. If you go to India, you will find a society or an organization for every subject imaginable and they

function. So, to get the Indians to organize, to set up institutions, was a norm in that country. Also, the Indian university system, unlike other developing countries, was close to 100 years old. So you had second or third generation people who had graduated from a British-style university, that kind of a background. So you had a tremendous pool of basic manpower. Participant training and institutions were, I think, the best thing we could do. Our influence over Indian macroeconomic policy was very limited. That was an interference in their sovereignty. We had a Participant Training Branch that was part of the Program Office, with two Americans and 12 Indians in it. We published a monthly journal that was distributed all over the country. We held return participant seminars and surprised everybody. We'd have a return participant seminar with an industrial topic and get 75 or 80 people in attendance.

Q: Do you remember any figures about how many participants you had?

PODOL: I don't.

Q: But it was very large?

PODOL: Very large. The two most successful institutions - and I was back in India in '92 and '93 and they functioned - we developed and trained the staff of one of the Indian Institutes of Technology. They had set these up in different parts of the country. It's now the leading MIT of India. A major program was trying to establish agriculture universities. Now you got into a real political hassle. India has a federal system, as does the United States. When you talk about agriculture universities, they are state institutions. The states had an Agriculture Extension Service and an Agriculture Research Service. As you set up a university on an American model, Extension Research would go to that university and out of the hands of your traditional civil servants. So you ran into enormous resistance in trying to organize agriculture through the agriculture university. In some states, it worked very well and, in others, it never got much off the ground because of the resistance.

Q: What were the specifics? You mean bringing the three elements together?

PODOL: Bringing education and extension and research together in one institution or organization, merging them under the university, as we do in the United States.

Q: Where did this work?

PODOL: It worked best in the Punjab. Why, and I think this is important, the Punjab in the '60s was very unsettled and refugee-centered. In the 1947 partition of India, the Muslims who had lived in the Punjab picked themselves up and went to Pakistan. The Sikhs that were living across the new border, in what was now Pakistan, came into India's Punjab. So, you had a refugee type situation, which in effect upset the stability of the old

system, the old way of thinking, and which made people, in my mind, very much more receptive to change. I've seen this elsewhere also. So, it worked very well in the Punjab.

Q: Were there other places it worked?

PODOL: It worked moderately well in other places, too, in India. Punjab was the ideal situation. They did excellent research, which was put in the farmer's fields and used.

Q: What did you feel about the effectiveness of the university program in general?

PODOL: I thought it was very effective. If you look at what's happened in the last 30 years, India is now self-sufficient in food grains.

Q: Do you attribute that in large measure to the university program?

PODOL: Well, how can you say? But they did have a significant impact on it, but there are a lot of factors that geared up - there were a lot of other things that were done, too.

Q: Do you remember how many universities you were working with?

PODOL: I think we tried five or six. The Punjab, when I left, was the one that was successful further on. Some of the others are still in existence and are working, but not at as high a level of effectiveness.

Q: What other institutions were you associated with? Science and Technology-

PODOL: Those are the two that stand out.

Q: Were there others in other fields?

PODOL: We worked in the labor movement.

Q: What about Public Administration, your specialty? Were there any programs in that area?

PODOL: We had a Public Administration Advisor. We were working with the Public Administration Institute, but I can't really recall any significant results.

Q: What other aspects of the program stand out in your mind? You talked about the problem of institutional development as being your interest. What were you trying to do? How do you view that subject in that context?

PODOL: In the first year, I was trying to learn the job, so it took me a while to settle in on this. My interest is in what I just mentioned: trying to see that we could have the

resources to do the research program and the Indian Institute of Technology program. By 1968, the cutbacks in personnel had started. My function then was implementing "BALPA," to come up with a new plan, a staffing pattern for the Mission, based on the cutbacks that were required. I think we had something like 125 direct hire and I don't know how many contract people. The other unique element was local currency. Because of the PL480 program, which I'll get to in a minute, we had unlimited local currency to use in our program. My counterpart in the Ministry of Finance, would go to the Parliament and say, "This is American money, so we can't deny it to them." We would tell Washington, "This is Government of India money, so they can do as they wish." It worked out very well. In fact, in dollar terms, we had more Indian rupees than we did dollars to carry out our Technical Assistance Program. We could do all kinds of studies, hire competent Indian personnel because of these rupees. The Mission Director at the time asked me, "How many Indians are we paying the salary for?" When I told him, he said, "Bury it." There were hundreds, including contract people. All our contractors had Indian staffs. One thing that I didn't mention was that family planning was one of our largest programs. This was the time when it was just getting started, family planning.

Q: Was it making an impact at that time?

PODOL: Yes, it was just beginning to do so. We got into the usual arguments. All you had to do was distribute contraceptives. No, you had a social problem and you had to work on the social side of changing attitudes. We had that big debate going on with Washington.

Q: What was the Indian reaction to all this debate? What was their view?

PODOL: They thought, given the Indian way of thinking, that it was a social problem, which it was. How do you get people to limit their family size? And Washington was pushing all their colored condoms. The big Indian program was the vasectomies in railroad stations.

Q: Were we involved in that?

PODOL: No. We weren't involved-

Q: Not even with the local currency?

PODOL: Well, our local currency was going everywhere, so, indirectly, I suppose we were.

Q: Also, India was the pioneer in the whole community development area. Was any of that going on while you were there?

PODOL: No.

Q: It had come to an end?

PODOL: Right.

Q: Do you have any recollection of the results of that effort or why it collapsed?

PODOL: Not any strong ones. People felt it was a failure. I don't recall why they felt it had failed.

Q: But we were not involved in anything like that?

PODOL: No, not at that time. In the villages, you had a power structure that made change very difficult. The caste system relegated large numbers of villagers to serve in menial activities. Back on PL480, we were generating the bulk of these rupees through imports of wheat, primarily, because India was deficient and had back to back droughts in, I think, '64-'65. So, we might bring in \$300-400 million in grain. At one time, we owned a very substantial portion of the Indian rupee, at least on paper. We gave them back eventually. The other program was PL480 Title II. We had the largest Title II program anywhere - I don't know about Vietnam. We were feeding, at one time, over 20 million Indians under Title II, all being carried out under organizations like CARE. I remember two people coming out from OMB and saying, "How can you do this? We can't afford to do this. We're going to get out of this activity." Of course, we never did. We still have a Title II program in India.

Q: This was for schoolchildren mostly?

PODOL: You name it, but, yes, there were more in school feeding than anything else, but you name it. It was effective. We were feeding 20 million people. Not all of them were needy. I remember going into one industrial conclave and we were feeding the families of the workers. These were people fully employed. These weren't the poor. With 20 million people to feed.

Q: Do you know how much the budget was for this?

PODOL: No, I don't remember the dollar figures.

Q: Why was it so hard to get out of?

PODOL: Politics, both on the U.S. and the Indian side. If we got out, the Indians would think we were abandoning them. And then the power of the voluntary agencies, lobbying back here for continuation of their programs.

Q: This was your first experience with Program Office work? What was your experience doing that kind of work, compared to being an expert on public administration?

PODOL: Let's say I really liked both but from a different standpoint. Being a field person working with people 100 percent, that was great. Great experience, you made a lot of friends, had a lot of freedom to do what you wanted to do, if you had the right boss. That was great. You could see things happening. You could see that you had accomplished something. When you move into Mission management, you're one step removed and you can't say that you've done it. You could step back and look at the larger picture of what you're doing and see a total program and how it's impacting and maybe say that you've had some influence on that total program and the direction in which it's going. And I liked management.

Q: Is that a big step, I guess?

PODOL: We had, I think, three or four Americans and a dozen or so Indians.

Q: How have you thought of them as staff?

PODOL: Excellent. They provided all the number crunching. They did an excellent job. I was back there in '93 and '94 and one former employee of mine was still working for the AID Mission as the Budget Officer. They're good, really good. This is the kind of thing they really do well.

Q: At that time, you say, we could do almost anything. What was the development philosophy that you were getting out of the Washington guidance, or wasn't there any?

PODOL: I don't remember anything special.

Q: This was prior to the New Directions?

PODOL: Yes.

Q: But you don't recall any particular-

PODOL: No, this was still in the days when we recruited Mission Directors from outside. We had very powerful individuals in their own right, very respected. John Lewis had been on the Council of Economic Advisors, he'd written a book on Indian development. Who was going to challenge him? Nobody in Washington was going to challenge him.

Q: How did you find him to work for?

PODOL: He was fine, a fine person to work for.

Q: What was his particular passion or drive in terms of working in India, do you know at all?

PODOL: One, because of his background: macroeconomic policy. And second, working with the poor. He had a feel for both and he was interested in both.

Q: Could you elaborate on those two, what he was trying to do?

PODOL: With India, there were two issues. One was loosening up the restrictions on imports. The Indians were preaching self-sufficiency. So, one of the policy aims we had was to loosen up and try and get them to stop building inefficient industries that couldn't stand on their own feet, and allow imports, instead of import substitution, which was their policy. The other was the devaluation of the Indian rupee, which tied in with imports and exports.

Q: What was he trying to do?

PODOL: This is why he was supporting family planning programs, Title II programs, working with labor unions, and agriculture programs that would reach the small farmer. Most farms, they were small farms. So agriculture, because it was geared to the small farm, agriculture research-

Q: That went beyond university projects and-?

PODOL: In the states in which there was no university, we worked with the agriculture extension system and agriculture credit.

Q: But otherwise, you were working through the university?

PODOL: That was the thrust where the Mission was going, though it hadn't abandoned the old approach because the Indians hadn't abandoned it yet.

Q: You were working with extension services in each of these areas as well?

PODOL: Not in all the states, no. That was beyond our capability.

Q: Were there any particular regions of India, apart from the Punjab, where you thought things were working better?

PODOL: Maharastra, the Western part of India.

Q: Were there factors that could explain that?

PODOL: No, I can't say that there were, except the sea coasts had been involved with foreign trade and foreigners for centuries--so much more exposed to outside ideas than Bihar and U.P.

Q: Okay. You were in India for two years?

PODOL: Until 1970 - April '67 until June 1970, three years.

Q: Let's move on from India. What was the next assignment?

Return to Washington for work in the USAID Program and Policy Bureau - 1970

PODOL: For personal reasons, I felt it was time to go back to the States. I'd been out nine years. I mentioned that I met my wife, who was working with AID, in Turkey.

Q: What was she doing?

PODOL: She was a secretary in the Industry Division. We were married there and had two children who were born in Turkey, so they had never lived in the States. So we felt it was time to come back to the U.S. and get our kids acclimated or whatever, to the U.S. In mid-1970, I came back - again, through Ernie Stern. Ernie Stern was the head of PPC, Program and Policy Coordination, and there was an opening in the Budget Branch or Division. So, I came back and I was Deputy Budget Officer for AID. My responsibility was really for the entire development budget including PL480. My boss had other things that interested him, so he let me handle the budget work.

Q: Who was your-?

PODOL: Sid Brown. His focus was on Congressional relations. He would personally do a lot of work for the AID Administrator, Dr. Hannah, answering questions and preparing for testimony. So, he let me handle the budget. He was a civil servant who had had no experience with development. So, that was my responsibility: development budget and PL480.

Q: The whole Agency budget then?

PODOL: Not the administrative budget. That was in the Controller's Office.

Q: Was the assistance economic support?

PODOL: Supporting assistance meant Vietnam and that was handled elsewhere. Realistically, there was nothing to handle, except to put the numbers together

Q: So it was the development assistance budget you were concerned with?

PODOL: Yes, and PL480. Everything we did in the world except Vietnam. One of the chores was to find development money for Vietnam.

Q: Elaborate more on the task, of what your function was.

PODOL: Each year, we had to put together our budget, which was part of AID's overall budget. We put that together and submitted it to OMB. That meant things like American schools and hospitals, as well as each regional activity, PL480, Title II. All of this we had to work on. The PL480 budget wasn't in AID; it was in the Department of Agriculture, but AID made the final decisions on allocations, with some exceptions. So, we put together the dollar budget for submission to OMB and did that country by country, Bureau by Bureau, and separate office by separate office. We got that approved by the Administrator and sent it to OMB and then defended it with OMB.

Q: What kind of guidance was involved in all the decisions you had to make about who gets what, and how much, and for what and so on? Under what kind of policy framework were you operating?

PODOL: In the first year or two, the focus was so heavily on Vietnam that there really wasn't much, frankly. Things were just allowed to go on as they had been. Each Bureau came in with its budgetary wish list. We sat down with the Bureaus. OMB had given us a total ceiling, so we had to come within that ceiling. We worked with each Bureau, cutting things back so that they fit within the ceiling. So, it was at that level. There wasn't very much guidance from above, saying, "Hey, you should put more money into Latin America, Asia, whatever." That was worked out at a level down.

Q: That put you in a pretty key seat then, making those decisions. How did you make them? How did you decide who got how much?

PODOL: Since the bulk of AID's projects were ongoing, you're fairly well locked in. Your margin is quite small.

Q: Do you want to elaborate on that a little bit?

PODOL: We're talking about technical assistance. This is where the bulk of the money went. You might have a five-year project and you only funded it year by year. So you had a commitment and that locked in the bulk of your budget, so that your chances of moving money because of new activities were only a small part of your total package. At that margin is where you played. It really was based on the arguments that the Bureaus could make. Africa would come in every year and say they were being shortchanged and we'd say, "You're right" because Africa did not have a high political priority in the 1970s. It was Asia and Latin America, the Alliance for Progress.

Q: You must have gotten some sort of message from-?

PODOL: Yes, but that was the general message here. That's why it was skewed to begin with. It was very difficult to change the skewing, but we'd try to do that at the

margin, and sometimes we did. Believe me, the arguments that Bureaus made did have an impact. There were some people I knew I could trust; others I knew I couldn't trust. Somebody from Latin America would make the presentation and I knew he was lying, that what he was saying wasn't true. And they suffered because of it. There was somebody from Asia whom I trusted implicitly when he gave me numbers, because I'd worked with him when I was in India. I knew the numbers he gave me were sound. That made a difference. And the State Department would get in, too, on country levels.

Q: Did you deal with the State Department on country level issues?

PODOL: When they had a problem, when they wanted to weigh in, yes. Because of political reasons, they wanted to maintain the country level. And sometimes, if the President or dictator of Country X wanted a specific project, then State would weigh in and say, "Hey, we have to give him that, because that country's important to us." And we'd have these arguments. Sometimes they'd win; sometimes they wouldn't. We played budgetary tricks. Like American schools and hospitals, you knew they were high priority with the Congress, because of the political pressure they were getting from their constituents. So, you always came in with a low level for American schools and hospitals, knowing Congress would raise it. And they did, every year. That way, you could stay within your budget, so you could move funds where you wanted to move them. This was the way the game was played.

Q: What about the allocation among countries? Did you have any sort of a system for that? Was there any attempt to make some sense of development priorities, of where the money should go?

PODOL: In 1970, I would say, not on a country by country basis. More on the type of activities and the overall strategy that the Bureaus had. Latin America had continued to put money into Argentina and we could never figure out why in the world we should have a program in Argentina, given their state of development. So we'd come down hard on things like that. And in Panama, politically, you had to do something because of the Canal.

Q: What about other areas where you might want to increase the emphasis? Why would you want to do that?

PODOL: Our staff did not go out to the field. We relied on presentations from the Bureau, on experience, whatever. If the Bureau could make a case that Country X was turning the corner and really could make use of these resources and here's how to use them for development and they could make a case, yes, you could get more money.

Q: So you had some sense of development capacity?

PODOL: Yes, but that doesn't mean that we would say it had to be an agriculture project or an education project, no. The presentation came from the bottom up. If it made sense in that country and you could demonstrate that the program was going to go somewhere, then you could get more money for it.

But before I left Washington in 1974, the submission of country strategy statements had become the norm and that changed the way we looked at the allocation of resources. We now combined the acceptance of the strategy with Agency sector priorities.

Q: Were there particular development areas that were being given priority over others?

PODOL: The way the AID budget actually came into being was, I think, very interesting. Otto Passman, who handled foreign aid in the House Appropriations Committee, would get up on his soapbox and lambast AID and he made a "political living" challenging AID. He was not above going out to Korea and saying, "You have to take Louisiana rice if you want anything else." He'd do that. He made his political mark lambasting AID. Behind the scenes, he'd call in Dr. Hannah and say, "Okay, tell me how much money you really need for next year." Hannah would give him a number and that's what you would end up with after all the posturing was over. That's the way the budget was set. I'm not sure of the year, if it was '72 or '73, but the Senate voted down the AID bill and everybody panicked. Dr. Hannah, behind the back of the White House, went to the Congress with his basic human needs strategy. He was told not to do it; he did it anyway, and that turned the thing around. After he made that presentation, then AID's priorities changed, as they had to. We no longer were going to fund infrastructure projects, roads and ports and things like that, but we were going to concentrate on the poorest of the poor, however that could be done. That meant family planning, health, education, programs of this nature. And small farmer agriculture. And then the priorities were set, which lasted an awfully long time, those priorities.

Q: Funding was appropriated by category?

PODOL: Categories later on. Your budgets were structured that way and the appropriations came that way. Our priorities were set very differently and very dramatically.

Q: Were you involved in the presentations to Congress of this new strategy?

PODOL: Not directly, no, I wasn't. Dr. Hannah handled that.

Q: Subsequently, were they more openly presented?

PODOL: Yes, but not by myself. There were meetings with Passman. Not the personal meetings, but the AID subcommittee meetings.

Q: Did you attend those?

PODOL: Yes.

Q: What was your view of that?

PODOL: It's all politics. These were small meetings. I remember Congressman John Rooney, who oversaw the State Department budget. He was on the AID subcommittee. He said, "Okay, let's go off the record. I've got an important constituent who donates to my campaign. He's Polish and he's very interested in this hospital in Poland. Won't you provide some local currency for the hospital?" That's how things got done. So we did, sure. The way things were handled publicly and privately were so different. Behind the scenes was mutual accommodation.

Q: Any others at the Passman hearings?

PODOL: The others would be at the public hearings, where you answered these questions just for the record - not for the real world, but just for the record he was trying to make.

Q: Then you were involved in a recasting of how you went about the budget process? What was your role and what were you trying to bring about in that respect?

PODOL: We were now dedicated to concentrating upon agriculture, education, and health and family planning activities, above everything else. Then the Bureaus had to go back and come in with recast budgets which stressed those areas. That meant anything new you came up with had better be focused on basic human needs, because you weren't going to get a new road project or a new port project through the system.

Q: How did you decide whether certain projects were meeting that criteria?

PODOL: That's a different level now. You're talking now about the general budget. The projects were reviewed by another office in PPC. My office was involved in it, but it was the responsibility of another office to do project reviews.

Q: Then in terms of country strategy, was there an effort to have-?

PODOL: Yes, but the country strategies had to be based on these new guidelines.

Q: And you were involved in preparing the new guidelines?

PODOL: Yes, and reviewing the country strategies when they came in.

Q: And what was your experience with that work?

PODOL: Some Missions complied; some didn't. There was a very powerful Mission Director in the Philippines at the time and he said, "Screw you" in effect, "I'm going on with the program I want to go on with." His strategy did not comply with basic human needs. He got his way, in the short run anyway.

Q: But, generally, the other Missions did?

PODOL: Generally. If they felt they didn't have the clout to fight it, they went along. Most Missions did go along.

Q: What were you looking for to make sure that the strategies were responsive?

PODOL: The strategy document itself had to focus on, if not all of those areas, at least one or two. It had to explain how the new approach was going to be effective - what it was and how it was going to be effective and where it was going to take the country in those areas, as well as what other donors were doing.

Q: Was there any discussion at that time of a distinction between the terminology "poor majority," and "the poorest of the poor"?

PODOL: I think we kind of laughed at those terms. Everybody knew you can't reach the poorest of the poor in so many cases. Not with an AID program anyway, unless you want to do welfare, relief type activities.

Q: So that wasn't an issue from your perspective?

PODOL: No. Actually, if you look at it, with basic human needs, you're still reaching the same people you were reaching before, only you've targeted them in a more structured and more narrow way - small farmers, family planning, etc. One exception, was a change which came later. This was a shift from large business/industry to small business.

Q: So you didn't see it as a fundamental shift?

PODOL: What I saw it as was a dropping of a number of things out of the program-

Q: Such as?

PODOL: Most everything involved was in industrialization, or we wouldn't have a minerals program in India anymore, and we wouldn't be building infrastructure programs anymore. We would still be doing agriculture, health, and family planning and, when we could figure out how to do it, we'd do something in primary education. Given the nature of these countries, you were reaching the poor majority if you worked in primary education. And you set up working in health clinics the same way.

Q: Were there any particular issues in any one of these sectors that you were involved in?

PODOL: There were always things that would come up: is agriculture research necessary; is it worth the money and the payoff? Why do agriculture research? Just get out there with the farmer and show him what to do. You'd get people who felt that way, because it was too expensive - we shouldn't be doing it. And it was indirect. You would get into that sort of discussion. You can generalize to that to university type education. "These aren't the poor. Why are you working in universities?" So you'd have to make the argument about what the people who graduated from the universities were going to do to reach the people you wanted to reach.

Q: Was there not some expectation, at least on some part, where Congress said that the work had to have some immediate impact on the poor?

PODOL: Sure, that's one of the problems we've had. Americans are very impatient people. They want immediate results in a situation where immediate results are normally impossible. We sent people overseas for two year tours or four year tours and they come out charged full of energy initially and think they're going to change dramatically the situation. Well, it doesn't happen. Especially if you're in Africa, you're talking two or three generations if you want to really institutionalize change, not two or three years. Yet we never seem to grasp that and we never train people that way. We don't have orientation programs, or they didn't when I was there, that really spell out what you have to look for and what you're up against in a time frame. There were big arguments. "Can you have five year projects? And a ten year agriculture research project? No, we can't show Congress a ten year project. They won't go for it." That always was a major problem, trying to get people to understand the time frame in which you had to operate to be successful.

Q: What happened to public administration?

PODOL: It disappeared.

Q: Did you have an interest in that while you-?

PODOL: No, it disappeared.

Q: Why did it disappear?

PODOL: Because you couldn't demonstrate basic human needs. And we were turning some things over to the U.N. The U.N. can do public administration. This was at the same time that, at least for a few years, we got out of macroeconomic policy, on the grounds that the IMF and the World Bank would handle macroeconomic policy as well as

the infrastructure. So, we didn't have to do that. Of course, that changed later on. We narrowed our focus down considerable.

Q: In some ways, that was quite a major shift.

PODOL: No question about it. It was a major shift. If you look at it from the broad standpoint, but within what we were doing, it was not that major a shift. In the areas in which we concentrated, it wasn't that major a shift.

Q: Were there any other things that you were trying to do while in that position in terms of the systems or procedures or content of development assistance?

PODOL: Evaluation. We were trying to energize program and project evaluation, which was very weak at that time. It was new, really new.

Q: What was the difficulty in getting something going in that area?

PODOL: The easy answer is resources. People didn't want to devote a position to it because they felt they didn't have enough positions as it was, or money. So, that was one area. And some people felt threatened by evaluation also, for a good reason. I don't mean that negatively. I mean, again, here you've got something that's going to take ten years to pay off and somebody comes out and says, "You haven't achieved anything yet." It's tricky.

Q: Do you remember any of the evaluation subjects that were initiated at that time?

PODOL: Not really, no.

Q: Any other dimension of your work with PPC? How did you find working with AID in Washington? This was your first time.

PODOL: I enjoyed it immensely, and then it got very wearing, after 3½ years. Meetings, meetings, meetings, and meetings. I came away with the impression that AID Washington was overstaffed, or how in the world could you have 15 or 20 people sitting in a room discussing one small project. The other is that I felt that nobody below an Assistant Administrator could make a real decision. I remember one document that had required 19 clearances. And anybody could block it just by sitting on it. And it couldn't be approved until it got up to the senior level. Those stand out very clearly in the way AID functioned at the time. It was bad.

Before we go on, maybe I should summarize what I have tried to say about setting priorities and strategy. When I came to Washington in 1970, the setting of country priorities rested with the regional bureaus as did sector priorities. There really was no Agency grand strategy, so bureau priorities were not often challenged. AID then was very

decentralized by region. But by 1974, with basic human needs and required formal country statement papers, that changed. Also total resources were no longer increasing and appropriations were by sector - agriculture, education, etc. Therefore, a much more worldwide program focus came into being and missions/bureaus lost some of their program autonomy with PPC paying a more meaningful role in strategies and programs.

Q: Any more of the PPC experience? You said one of your responsibilities was to PL480, but this had to be shared with the Department of Agriculture?

PODOL: And with Food for Peace.

Q: What was your goal on that?

PODOL: As far as AID was concerned, the final decisions and allocations were made by PPC, by us, in consultation with Food for Peace. The Department of Agriculture, their interest was certainly not in development, but in markets. So, there would be certain programs they wanted to see funded because they thought that meant opening up a market for them, which could well be true. These were the negotiations that would go on.

Q: State was involved, too, I guess?

PODOL: State was involved from a country level, just like they were with the development budget and supporting assistance. They were interested in country levels. But we didn't have much problem with State. Vietnam was where the attention was.

Q: Were there any particular issues though, in your work with PL480?

PODOL: The issues that go back to India- How much ability did you really have to phase out programs that should be phased out. We wanted to phase out one in Brazil, for example, and this is where we ran into political flack. It's from the American Voluntary Agency, who's carrying out the program and doesn't want to see their role disrupted in that country. Sometimes, if they were a religious organization in particular, they had an agenda that went well beyond food. They felt that if they lost the food, they lost entree. So, anytime you wanted to close something out or reduce it dramatically, in Title II, we ran into this kind of situation. Later on, when we get into my experience in Zaire, I want to bring out a specific example of this.

Q: Anything more on the PL480?

PODOL: One small thing. We still had tobacco in the program then, and this was becoming an issue, whether the U.S. should be exploiting tobacco under a government subsidized program. Subsequently, tobacco was eliminated. That's after I left.

Q: But we were including industrial commodities as well as food commodities at that time?

PODOL: Yes, tobacco being the primary one.

Q: You finished up in PPC in 1974. That was really just the beginning of the New Directions and efforts. Then you were bound to where?

Change of region and assignment to Tanzania as Assistant Director - 1974

PODOL: Tanzania. I wanted to go to Africa.

Q: Why did you want to go to Africa?

PODOL: I knew you were going to ask me that. For several reasons. I'd spent all my career up to now on Asia, including Turkey, and I wanted to go to a different part of the world. I did not want to go to Latin America, because I felt the political and social systems were so corrupt that you really couldn't do much that I was interested in doing. Africa offered an opportunity, almost starting from scratch, in development at this particular point in time. So, I wanted to go to Africa. I went to see the Assistant Administrator, Sam Adams. We talked about several jobs that were open at the time. There were three: Ethiopia, Tanzania and Kenya, for the number two position in each. And I was offered Tanzania, so I went in January of '74.

Q: As the Deputy Mission Director?

PODOL: The title was Assistant Director, but, in effect, Deputy, yes.

Q: And who was the Director at that time?

PODOL: Vernon Johnson, which has some significance later on, as we'll discuss. So, I went to Tanzania. Shortly after I got there, we had a two man team come out from Washington to examine the program. I remember one of them saying, "Why are we providing assistance to this Communist country?" That gives you an idea of the attitude of some circles in Washington about Tanzania. It certainly was true that the government program was socialistic, which made development as we would want it very difficult, because the President wanted institutions, corporations, whatever, to be government run. After I'd been there a couple of years, about 1977, came the Villagization Program. In Tanzania, people did not live in villages. They lived scattered along the countryside in individual houses on individual plots. The president felt that the only way you could provide social services - health and education - would be to bring people together in a village, so as to have a critical mass where you could provide services. Unfortunately, this was done on a forced basis. They'd uproot people, chop down their trees and houses, and herded them into these village sites. The program didn't work, because the

government didn't have the resources to provide the health and education. They also created horrendous environmental problems, health problems. People brought their cattle with them and, living close together, diseases spread. One thing I did learn is that the farmer, when he wanted to, could beat the system. So, at this time, in kind of an intermediate stage in Tanzania, there were communal plots, which was not uncommon in the country, and individual plots. The government provided fertilizer only for the communal plot. So, the farmer beat the system, diverted the fertilizer to his plots and juggled the books; the village kept books so this would be covered up. So, there was kind of a lesson learned there.

Things changed, because Nyerere became the head of the front line states at the time of the Rhodesia, now Zimbabwe, independence movement and war. Henry Kissinger came to Tanzania 2-3 times to talk to Nyerere about the situation. So, that calmed Washington down. Our budget went up a little, but not dramatically. It took the pressure off of why we were working in Tanzania.

Q: At that time, Tanzania was getting an extraordinary amount of assistance from all the donors. Given what you describe as the socialist, Communist orientation, why was it so popular?

PODOL: Socialist, yes; communist, not really. The people you're talking about are the Scandinavians, the Norwegians in particular. They also believed in the socialist system. The Swedes and Norwegians believed that socialism was the way to go. The Swedish economy in particular was very heavily government run, with social services and welfare benefits and so on. Nyerere himself was a very appealing individual. He was, I think, the first Tanzanian to graduate from a foreign university, and was a very bright, articulate person, and very persuasive. So the Scandinavians really loved Nyerere because they saw that what he was doing was right. And, in a sense, if you look at what he wanted to do, yes, he was interested in what we call the poor majority. He wanted to do something to uplift the lives of people in rural areas and that was the focus of his program. You never heard about Swiss bank accounts on his part, things like that. So, yes, his goals in that sense were admirable and he received a lot of support. It's the methods that didn't work particularly well.

Q: That goal was consistent with what our development policy had moved to?

PODOL: Yes, basic human needs. And our program was in agriculture and health - rural health.

Q: What was our approach in trying to deal with a situation where they were trying to-?

PODOL: We started to pull away at that time. This was just shortly before I left when we really knew what was going on. Then we started to pull away.

Q: What was our program focus?

PODOL: Remember, this was a small program - you could fit it in one division of the Indian Mission or the Turkish Mission.

Q: What scale are we talking about?

PODOL: I don't know if we had \$10 million for the whole program. We did have a PL480 Title I program also. Believe it or not, it was cheaper to import corn from the United States than to bring it from Western Tanzania to Dar Es Salaam. That tells you something, doesn't it? Our program in agriculture was based on manpower development. They had the rudiments of an agriculture school west of Dar Es Salaam and we were working with it - this was leading toward an agriculture university - training staff that would go out and do agriculture research and extension. That was our agriculture program.

Q: Did we have a university contract with that?

PODOL: West Virginia.

Q: And did it evolve into a university at some time?

PODOL: I don't know. Not for a number of years, but whether it is today I don't know.

Q: At that time, it was-?

PODOL: It was the center for agriculture research and training and education. It wasn't called a "university" at that time.

Q: Were you trying to do other things in agriculture?

PODOL: No, that was really the focus. We tried to work a little bit on seed, but really manpower was the focus of the program. In health, it was rural health: trying to set up and train people to operate rural clinics.

Q: How did you find that worked?

PODOL: I found that Tanzanians were very interested in development. They wanted to develop their country. It was good to work with them.

Q: The program in health, did that work well?

PODOL: It was working well when I left. The real issue was: would the government find the funds to continue supporting these programs, and that was doubtful. I don't know

what happened. But as long as we were in there providing some of the support, yes, the clinics were functioning, the staff was at work and had been trained.

Q: It was effective as long as we were funding it?

PODOL: Well, not all of it, but partially funding it, yes. I really don't know how it finally came out, what it's like today. There was a small, modest program.

Q: What does your experience in Tanzania tell you about development functions and so on?

PODOL: Again, you have to understand the limitations of the societies in which you're working. Within those limitations, you have to look for the openings that are available to you. We had another piece of the program: livestock development, which was two things. One was trying to set up buying centers for livestock so the farmers would get a decent price. They'd bring their livestock into a central holding pen and the buyers would come in and they'd have some chance to negotiate, instead of a buyer just going out to a village and no competition. So that was a piece of the program, with Texas A&M University, working on setting up these centers.

Q: Did that work?

PODOL: Yes, they were working, but in the local way. The herders would bring in the cattle but keep them outside the pens so that they didn't have to pay any fees. The program aim of competitive buying was achieved, but there was little honest collection for holding pen upkeep! The other was with the Masai. Masai are very interesting people because cattle are the basis of not just their economy, but their social structure, social system. We worked with the Masai in doing several things: drilling wells for cattle, in building cattle dips, and in range management. Here's where you learned your lessons. The range was open to everybody. I would meet with the tribal leaders and say, "You know, you've overgrazing. You have to do this and this to preserve your range land." And they'd say, "We know it, but there's nothing we can do about it at this time because this land is communal. Everybody can use it. We cannot tell Person A, 'You can only have 30 cows' and this one '40 cows.' It just won't work in our system. We know it. Give us time. It's a problem we have to work on." So, it's a lesson that you learn. You have to take it in the context of the social, political situation in which you're working and go with it.

Q: Were we involved with any regional development within Tanzania? Was there any particular effort to concentrate on a geographic region?

PODOL: No. We were not. Where the institutions were, it happened to be that the agriculture facility was about 30-40 miles west of Dar Es Salaam. The rural clinics were

on a planned basis, where they were reachable and the Masai homeland was in the north.

Q: Any particular problems in this technical assistance operation, providing American expertise to these projects?

PODOL: Not really. You could work quite well with the Tanzanians. You could make friends with them. Some of our people in the field might have had a few problems. Remember, Tanzania is one big game park. No matter where you go, there are animals. We had a small road building project in the north, in the Masai area. I don't mean paved roads. I mean dirt roads. I remember, the people out there who were living in trailers on the site saying that at night the lions would come in and bump up against the trailer. An engineer said that, one morning, he went out and there was the guard sitting on top of their road building machine. What was he doing up there? Well, there was a lion sleeping under the grader.

Q: What kind of problems were you as the Deputy mainly concerned with?

PODOL: Day to day operations. I set up there, as I did in every Mission, a management information system. Initially, I would meet every week with each Project Officer and go over a list of things that were to be done that week and get a status report. When this was well in place, then it might be every two weeks or every month, depending on the project and the problems. That's what I set out-

Q: What were the other components of your information system?

PODOL: You broke it down into participant training, if there was such a thing, commodity input, if you had that, and then technical assistance - what was the advisor working on, what was he trying to do, what steps was he trying to implement? That was all down on paper, in chart form. You charted the progress against- Participant training was a series of selection steps you go through. Buying commodities, a series of steps. So, you had this all charted out. As management, you could see if things were on track.

Q: Did you experience some particular implementation problems?

PODOL: Not common, but often, yes. We're talking about the 1970s. Africa did not attract the best staff in AID. That's not where you wanted to go if you wanted to make a reputation. You went to the big Missions. So, some of the people that we had in Tanzania were mediocre, and you had to hold their hand all the way. So, this is what I had to do - just lead them step by step.

Q: Were these direct hire people or contract people?

PODOL: Direct hire people.

Q: They were very green-

PODOL: Not necessarily green, but just not too effective. You had to put a lot of hands-on effort in because of this. Not everybody, but some people. This is what I spent my time doing, working on the program. Vern Johnson was "handling the care and feeding" of the Ambassador. He was an agriculture economist, so he was thinking about broader economic issues in the field of agriculture.

Q: Do you think we were having an impact in that country?

PODOL: Modest. I think, if what we were doing in agriculture was successful in terms of trained manpower, that should have had an effect in the years that went by.

Q: Did you ever meet with Nyerere?

PODOL: No, I didn't. Met with the Prime Minister at that level, and with the Ministers, but not with Nyerere.

Q: What was your reaction to their view of the development, of the cooperation?

PODOL: They were, I'd say without exception, very friendly to the U.S. They weren't volatile like the Indians. They were kind of low-key people, the Tanzanians, and very pleasant. You could sit and have a discussion without-

Q: Were there any problems in follow through?

PODOL: Sometimes. You might think your approach is right, but that doesn't mean it is. They may have problems implementing something that you want to have done. The percentage of implementation was reasonable. It's the same here: not everything you recommend here goes through. It was reasonable. It was good working with the Tanzanians. I enjoyed it.

Q: Any other particular view about your Tanzanian time, the projects, or what you were trying to do?

PODOL: I would mention a couple of other things that we were not maybe directly involved in that did effect what we were doing. There had been regional institutions with Kenya and Uganda set up at the time of independence and those had fallen apart. So, this was causing Tanzania a lot of problems. The regional airline was gone, the regional shipping line. And Tanzania had to make up for it, and some of the other institutions also. So, that was a handicap. I mentioned that, in the front line states, the anti-colonial movements were headquartered in Tanzania. And a lot of refugees were in Tanzania that had to be taken care of by government. Obote from Uganda, since he was exiled, was

living in Dar Es Salaam under government protection and care. This was another kind of political issue.

Q: Were we involved in refugee relief operations?

PODOL: No, not at all.

Q: Not at that time?

PODOL: No, not in Tanzania anyway. Later, after I left, things with Uganda got so bad - the Tanzanians invaded Uganda. That cost them financially. It was a major hole in their budget. And their tanks ripped up their roads going there, so it hurt.

Q: At the time you were there, how did you see the development evolving in Tanzania? Was it generally making real progress?

PODOL: It depends on whose glasses you were looking through. The Scandinavians were still with their rose colored glasses, thinking everything was going along swimmingly. The British were very skeptical. In fact, they said, "Nothing here is going to work." And we were somewhere in the middle, I'd say. The British were more right than the Scandinavians. And Tanzania has changed now. They've broken that old mold and they are going more with the free market principles that we espouse today, some of which are fine, some of which aren't, but okay. When my tour was up in 1978, I wanted to stay in Africa, but I was told that the Bureau had no place for white males in senior positions, and therefore they were not going to give me another job. So, I went on to Bangladesh, as Deputy.

Q: You left Tanzania in 1970-?

New assignment as Deputy Director in Bangladesh - 1978

PODOL: In 1978, I went on home leave, and then went to Bangladesh.

Q: What was your position in Bangladesh?

PODOL: Deputy Director, in the large Mission context you might say.

Q: How big was the Mission?

PODOL: We must have had more than 30 direct hire, at least that, and I don't know how many contractors. But it was a much broader based program: agriculture, rural development, health, family planning, and some infrastructure.

Q: Why were we interested in providing so much assistance to Bangladesh? "We" being the United States.

PODOL: Partly for humanitarian reasons. It was kind of a basket case in that part of the world. It was causing a lot of problems. India and Pakistan had fought a war over what is now Bangladesh, East Pakistan, and there were still problems. Bangladesh was creating problems for India. The first thing that hits you about Bangladesh is the enormous overpopulation, which impacts on anything you want to do. But the solution for excess population was migration into India. This was causing problems along the Indian border. I think part of it was trying to do something in Bangladesh that might alleviate population pressure that was spreading out. It was also creating problems with Burma, but we weren't terribly interested in Burma at the time. And humanitarian reasons. If you believed in basic human needs, now there are 120 million people there and most of them are poor. Then it was 90 million.

Q: What were we trying to do with our program?

PODOL: Before saying that, let's set up the context in which we had to work. Overpopulation, for example. The average farm was maybe two or three acres. A big farm there was 10-12 acres. Two or three was more likely. At the time I was there, over 40 percent of the rural population was landless. That rate of landlessness was increasing at about 2 percent a year. So what in the world do you do with masses of landless people in a country where you have extremely small farms to begin with? Second, Bangladesh is geographically a disaster area. The bulk of the populated parts of the country are at sea level. So, when a typhoon occurs in the Bay of Bengal, it wipes out coastal areas. They're inundated. When a severe typhoon occurs, the water backs up the rivers and creates mass destruction. On the other side, the Ganges and other rivers flow out of the mountains into Bangladesh and out to the Bay of Bengal. When you get very heavy snowmelts, then the rivers in the northern side flood. So, disaster is the name of the game. They were constantly worrying about or undergoing a disaster. So, your problems of development in this country are extreme, very difficult.

Therefore, one of the largest programs was in family planning. The government and people in the cities were very receptive to family planning. In the rural areas, you ran into a different kind of situation. When a family was extremely poor, women had to work. And when women worked, the number of births went down significantly. But in the rural areas, if the family incomes went up for some reason, then the man would pull the woman out of the workforce, lock her up, literally, in the house, and she'd start producing children, and the birthrate would go up. So, as your income went up, your birthrate went up at the lower levels. It would only start to go down again in families where women were educated. Then the birthrate would drop. And in university educated women, it would be the lowest of all. So, this was the pattern you had. So, family planning was one of the major programs. The other big piece was agriculture, since the country was agriculturally based. The land was good. Because of flooding, you got a lot of good soil distribution. So, agriculture was a big program. If you talk about basic human needs, the

one that made the biggest impact of all, maybe the biggest actual impact of any project I've ever seen, was rural electrification. Before the program went into effect, you could drive through the countryside at night and it would be pitch black. Occasionally, you would see a little spark where there was a little fire going. But, basically, it was pitch black. You couldn't see where you were going or anything. This was the way people lived. I remember the first village that was electrified. You'd go into that village at night and there were the people gathering in the village center, conducting economic activity, buying whatever, talking, socializing. It changed the entire life of people in that village. So, it became the most popular government program in the country, fully supported by the president. If you wanted a program that made an impact on the day to day lives of people, that was it. Each family had a lightbulb in the house, hooked up to the system.

Q: Was the rural electrification program financially viable?

PODOL: Operationally, yes. You didn't have to pay the cost of building the infrastructure. The co-ops would be financially viable when it came to operations. They couldn't pay the cost of setting up the infrastructure, no. So, that was the other big piece. There were other rural development activities, such as road building, which was essential in that country and extremely difficult because of the nature of the soil and the flooding. Your road had to be 12, 15, 18 feet above the surface, so when the floods came, they didn't go under. But these were not paved. We're not talking about highways. We're talking about gravel roads. So, essentially, that's the outline of the program. And PL480, Title II.

Q: You said that the rural electrification was effective. Were the others effective? Did you feel at the time that they were having an effect?

PODOL: The agricultural research project had produced results that were being used by farmers to increase production. That was working well. Family planning was beginning to take hold in the cities. The vasectomy program, like in India, was the number one program they had there. Some would say because of bribes in the sense that, if you came in, you'd get clothing or something - that they were making poor people who needed money come in and sell their reproductive rights for some money or a piece of clothing or whatever they might be given. But that was beginning to take hold. And you had some very competent Bangladeshis.

Q: How was the government to work with?

PODOL: You were better off if you didn't. It was very corrupt. Corruption was the name of the game. Corruption was worse there than in any country in which I worked, with the exception, of course, of Zaire. But even then, corruption could be more disabling in Bangladesh than in Zaire. You could work around it in Zaire. In Bangladesh, you could not get anything through without a payment here or there. You want to get something out of Customs? Well, you could go down to the port, knock on the door, and pound, and

sit around and wait a few weeks, or you could pay somebody and get it out. That was disabling in terms of your development program.

Q: Is that what we had to do in our program?

PODOL: We didn't. The Embassy did.

Q: Did you work around the government? What did you do? What was the alternative?

PODOL: Family planning was carried out with local, private, voluntary organizations. They were like the Indians: they liked to organize; they liked to set up societies, and you could work with those groups. In agriculture research, yes, it was possible to get the research out to the farmer. That would work alright. At a different level, you could get something done.

Q: And the administration was-?

PODOL: Because they had the backing of the president, who put a Brigadier General in charge of the rural electrification program; it worked because of that. These guys wanted to make it work and it did. They cut through not all but most of the obstacles, the red tape, to get things done. It didn't make them popular, but it worked.

Q: I suppose they had a large training program for Bangladeshis?

PODOL: I'd say, no, it was a small one, compared to what I'd seen before. I can't tell you why. They had a good manpower base for a small program.

Q: Were we involved in the famous small loan bank?

PODOL: The Grameen Bank. No, we had our own agriculture lending program, but it reached a different level. The argument was just the opposite, that we were trying to get the government to charge much higher interest rates than they were charging, on the grounds that they could easily be paid and that this would make the lending program viable, instead of having to be heavily subsidized, which the government couldn't afford. The point being that these higher rates would still be much lower than those charged by village leaders.

Q: This was a little higher for the government bank clientele?

PODOL: Yes.

Q: For small farmers and so on?

PODOL: Yes.

Q: And was it working?

PODOL: Yes, it demonstrated that people would pay 26% interest and therefore make your lending program administratively viable. Before that, there was another very famous rural development program in east Pakistan. That they found worked extremely well there because of the dedication of the person who was running it. But you take him out of it and you couldn't replicate it, because you couldn't find somebody like him to run other programs.

Q: What were the characteristics that made him unique? Do you remember his name?

PODOL: Dr. Aktar Ahmed Khan. He was a very charismatic figure. So, when he went into the villages to talk to people, they listened and they would do the things that he would recommend. They could see he was sincere. He wasn't just another bureaucrat out there doing something because he had to do it. He really believed in his program. Because of his personality, he was able to get people to go along with his programs, and they worked, with his leadership continually being there to lead.

Q: But when he left, it-?

PODOL: It kind of petered out. Not all of it; something remained. They never could replicate it because there wasn't another person like him. He could also get money. Because of his fame and personality, he could raise funds.

Q: What were the issues that you were personally dealing with as the Deputy Director?

PODOL: It was almost like Tanzania. Joe Toner let me handle day to day operations.

Q: He was the Mission Director?

PODOL: He was the Mission Director. He dealt with the government on broader policy issues with the Ambassador and so on. And he let me handle day to day operations. I did what I did in Tanzania. We had management information meetings and discussions, setting out priorities and program steps, but not in a rigid way that couldn't be changed. So, we revised our efforts.

Q: You had a large number of projects?

PODOL: We must have had 12 or more, yes. It was a big Mission. I remember an interesting issue with Washington. We had a PL480 Title II program, with CARE implementing it. It was a Food for Work program. CARE wanted to do two things: sell the food and use the local currency to implement the program, for example if you had to buy equipment to build a road. To give people food was very inefficient. It was much better to sell the food and pay the people cash, rather than trying to move food around

the country. That was alright. But what CARE wanted to do is use some of the proceeds to pay the administrative costs. And Washington said that's a no-no. We fought that one to no avail. The auditors came and we fought that one with them. It made imminent sense that you use some of the money to pay your administrative costs. We couldn't get that approved though.

Q: They were paid out of special fundings?

PODOL: CARE had to appropriate their own money for these local administrative costs, the CARE people out there working in the field, directing and things like that.

Q: These were Food for Work programs?

PODOL: Yes, all Food for Work.

Q: What kind of projects?

PODOL: Road building and flood protection. Again, that's what you did. The only thing you could do with this mass of unemployed rural people was to put them to work on these local projects: roads and earthworks. And that's what the program did.

Q: So did it work all right?

PODOL: Yes.

Q: And I guess it's still going on?

PODOL: I don't know. What's happened in recent years in Bangladesh, they've gone into light industry. You find a lot of Bangladeshi-made clothing in the United States now. That didn't exist when we were there. The only industry they had was jute, for carpet backing and sacking, rope. Now they've gone into light manufacturing. That will employ a number of people, but not nearly the surplus working population.

Q: Did you have other issues in relation to Washington on this?

PODOL: I can't think of any. Again, Joe Toner was extremely well-liked and thought of and he could handle Washington. He had been Director of Personnel and he could handle Washington, so we didn't have any problems with Washington.

Q: So, there were no major operational problems? By this time, we had shifted largely to contracts or were you still having a lot of direct hire?

PODOL: Mostly direct hire. The agricultural research program was contracted, but that was pretty much it. For some of the construction work we didn't have direct hire out there building; we had contracts with engineering firms doing some of the construction.

Q: But you had your own engineers?

PODOL: Yes, we had direct hire engineers to oversee the activity.

Q: And your family planning program was-?

PODOL: Direct. And health was all direct hire. I don't remember having any full-time contract people in country, though we may have brought out one of a number of organizations that put on special training courses, things like that. But it was direct hire operated.

Q: What was the thrust in your health program? What were you trying to do there?

PODOL: It was all built around family planning, trying to get acceptance for family planning. What we learned from experience in India earlier is that the reason for the high birth rate was a high child death rate, infant mortality rate. In the Hindu culture - Bangladesh is Muslim - but in the Hindu culture in India, you have to have a son light the funeral pyre when you cremate. So, you have to make sure you have a male child that reaches adulthood. So, you'd have to produce a certain number of children to achieve that goal. The higher the death rate, the more children you have to produce. I think what we learned in India is that, as the death rate went down, infant mortality rates went down; about a generation later, the birthrate started to go down. We didn't think that was a coincidence. So, the associated program in Bangladesh was working on infant mortality: immunizations, safer water, to try and convince people through seeing things in the real world, that their kids were going to live to adulthood so they could cut down on the number of children they needed. That was a social security system also. Children took care of their parents in their old age, so you needed children again. That was true in the Muslim society, as well as in the Hindu. One of the very largest projects, funded out of AID Washington, was diarrhea research. They had a center for diarrheal research in Bangladesh because it was a major killer. The hospital was dedicated to that, that was again partly American staffed and funded, had a patient rate of something like 100,000 a year, all of diarrheal cases. They were doing intravenous salt injection.

Q: Oral rehydration?

PODOL: That's where it started. That came when I was in Bangladesh - oral rehydration as a substitute for intravenous fluids. We were working on that. Under part of family planning, we had one of these condom marketing programs, where you sold condoms on the market at a subsidized rate, rather than distributing them through health clinics. So, you'd find them in all the shops and so on.

Q: When?

PODOL: That was really getting organized and underway when I left. They were all viewed under what you'd call today "child survival programs" and leading to, down the line, acceptance of family planning.

Q: But the primary health care was in setting up clinics?

PODOL: No, they were there. It was introducing the services: immunization services.

Q: They already had a public health system?

PODOL: Yes. The British left behind a good infrastructure all over the Indian subcontinent.

Q: How did you find working with the Bangladeshis on a more personal level?

PODOL: I had limited contact with the Bangladeshis, really limited. They did not invite you to their homes. Ministers didn't hold cocktail parties. There was very little of that, so you didn't have the contact like you had with the Indians, for example, or even the Nepalese. You didn't have that contact in Bangladesh.

Q: Do you have an understanding of why, of what was in their culture?

PODOL: No, I don't. I really can't say. It might have been my position, too, because I spent most of my time in the AID Mission or with the Ministry of Finance, who had to sign agreements. So, it really was limited to the Ministry of Finance. And the Secretary of Family Planning, because he'd been in the U.S. I was in his house. He may have been the only Bangladeshi that provided any social relations, he and his wife, who had both been in the U.S. We went to their village, spent a night in their village.

Q: What about the Mission itself? How did you find Mission operation and the staffing and so on?

PODOL: Staffing was excellent. Toner knew the people from his Washington experience that he wanted and he was able to get quality people for his positions. He was good at that. So, we had a good staff.

Q: Anything else on your Bangladeshi experience that you want to emphasize?

PODOL: I'll just reiterate that, in some countries you go into, you can say, "Ah, here's a development strategy that makes sense because we can look at the resources and see where we're going." Bangladesh did not give you that kind of a picture, because of the population and the disaster proneness of the country. We had a disaster preparedness

program that languished. We tried to set up a cyclone/flood early warning system, but that never really got implemented. Bangladeshis didn't pay much attention to it.

Q: It didn't work?

PODOL: They never activated it, really. They had built a number of concrete buildings along the seashore, where people were supposed to go when typhoons hit. They put their animals in them. So, they really never paid much attention. The unfortunate thing was, a few weeks after I left Bangladesh, the president was assassinated. They've had nothing but political problems ever since, continuing today.

Q: Let's move on from there. What was your next assignment?

Mission Director in Zaire - 1982

PODOL: In early 1981, I was told there were three Mission Director assignments that were open in Africa and would I be interested? I said, "Yes" and the one I chose was Zaire, believe it or not. So, I spent from August 1981 to May 1982 in French language training and then went to Zaire in June 1982, for four years, as Mission Director to Zaire and secondarily to the Congo, since we didn't have a Mission in the Congo but we had a program run by CARE. So, I had a dual responsibility, you might say, but it was very unbalanced. There I was in 1982 in Zaire, which was a very unique experience from a number of standpoints.

Q: What were we trying to accomplish there as a U.S. foreign assistance operation?

PODOL: That was always a question. Through 1980, at the time I was really selected, Zaire was out of favor with the Carter Administration because of human rights abuses and so on. It wasn't looked upon as much of a favorable or choice assignment, or one in which programs were going to go very far, from what I understand. But that changed before I got there. When the Reagan Administration came in, with its emphasis on fighting Communism, and a civil war was going on in Angola, Zaire became a staging area for operations in Angola. So, the attitudes towards Zaire changed dramatically. In fact, Vice President Bush came out on a visit with his wife and several others: Mrs. Kirkpatrick, Mrs. Dole, which would tell you how our relationship changed. As kind of an aside, at the big dinner that was given, I had the privilege of sitting next to Mrs. Bush, whom I found to be a very delightful, down to earth kind of person - not the slightest pretense, self-importance, none of that. It was really nice to sit with her that evening.

Our program possibilities in Zaire had changed. The first thing you learn about Zaire is, if you want to carry out anything at all successfully, you have to do it outside government. If you involve the government of Zaire in your program, you are in deep trouble. It is, as others have said, a kleptocracy. The president and his entourage will rip off anything and everything they can get their hands on, and they make no secret of

it. The Japanese, who at that time had brought in 25 tractors for village agriculture - every one of them was snapped up by one of the people in power and used on their personal farms. The Japanese didn't want to raise a fuss about this at all, but that's what you had to watch for. Before I had gotten there, a year or so earlier, we had brought in rice under PL480 and opened it up for purchase by traders - businessmen in the city could buy rice. We found out later on that a number of them didn't exist as businessmen. They took the rice and disappeared. Never paid for it. So, we had this enormous local currency debt we were trying to collect when I was there.

So, you had to come up with a program that would go around government, but one that was popular so that they would let you do it without interfering. The prime example of this, and our most successful, was rural health. The services in Zaire were run by missionaries. There was kind of a treaty between the Catholic missionaries and the Protestant missionaries that went back years, in which the Catholics, who were European, ran the educational system, and the Protestants, who were largely American, the rural health system. So, dotted throughout the countryside were hospitals run by different missionary groups, staffed by Americans and funded by the various missionary organizations. So we had our rural health programs with those hospitals and those missionary groups. It proved to be very effective. Once, Mobutu came out to witness a hospital power plant that we had funded. He came out to the inauguration and found that this was so popular that they let us alone. The Ministry of Health went along with it, let us do it, did not get in the way. In fact, in Southeast Zaire, the Governor of Shaba, which is the Copper Belt, said, "Okay, I'll turn over all of the government hospitals and health centers to the Methodists. Let them run the whole health system for the province." And that worked. So, that was a very successful program.

Q: What was our role in that?

PODOL: We were providing some funding - I'll get to that in a moment - and some training of local staff, not the foreigners, not the Americans, but the local training programs. We had funds to buy medicines. But under AID legislation, we had to buy all of our pharmaceuticals in the U.S. We could have bought them in Europe at half the price. So this was one of the handicaps which one operates under. We had to work on some tradeoffs with, let's say, the Methodists. They would buy the medicines and we would fund other parts of their program in order to get the best return for the money. We'd fund in other dollar costs that were competitive in the U.S., but we wouldn't buy medicines. So, we ran into that little problem. The program was working very well and was spreading throughout the country. Most of the missionary groups we could work with without problems, but some wanted to keep the U.S. Government at arms length and gave us a hard time, but they were the minority. So, that program was working very well that way. Another one was, we had a very successful corn growing program in the Northeast corner of Shaba, which is fairly isolated. It was isolated enough that it evaded Zaire government control. The contract group could work with the farmers in essentially providing them with improved seed, growing seed corn and providing the seed to the

farmers. As long as we were there, it worked very well. When I left, we were still trying to find a local organization to pick it up. There was a local private sector company there and we were trying to get them to pick up this element as part of their overall portfolio.

Q: You had an immunization program with CDC?

PODOL: Yes, operated through the Ministry of Health but with a U.S. trained division chief. This you could do if you watched it carefully because it was popular. Politically, the government could get mileage out of this, so health was something that you could do things in.

Q: So they'd leave their hands off, rather than trying to take over?

PODOL: Yes. AID and the American government had a reputation of not standing for ripoffs. We had a very outspoken Ambassador, Mr. Oakley. He let it be known that he wasn't going to stand for any nonsense. Our program was pretty well protected. We had a commodity import program. There was a U.S. owned and operated tire plant. So, all of our commodities were raw materials to be used in making tires, controlled by the U.S. owned plant. So, we could have some insurance that the commodities wouldn't disappear out the back door. And the same with our PL480 program. The one wheat mill or flour mill in the country was American owned and our PL480 wheat went directly to that mill. So, again, there was some assurance that it wasn't disappearing into the countryside.

Q: Were we providing rice when you were there?

PODOL: No. That had stopped because of the ripoffs in the rice program in the previous years. We were only providing wheat. The country can't grow wheat, even though they've tried. And bread has become very popular as a fast food. The basis of the diet was cassava, a starch. But, when incomes went up, they switched from cassava to bread as the fast food. It was easy to eat and keep. So, bread was a very popular food. And for poor people. Not the poorest of the poor, who ate cassava, but one level up, the "working poor," you might say. So, those programs worked fine.

Q: Do you have the sense that they lasted?

PODOL: Everything is gone today because of the collapse of the central government. There is no AID program in Zaire today.

Q: How about working with individuals, government people and others? Did you find that there were those you could work with?

PODOL: There were a few, yes. The ones we could work with were mostly those that had been U.S. participants. Well, not all of them; some of them were ripping off the

system also. But that was the nature of it. We had some ongoing roadbuilding activity that we were trying to finish off. In certain areas, the Roads Department was headed up by a foreigner, often a Belgian, and you could operate fairly efficiently. So, we were doing some road building.

Q: How about the cost of managing a program like the North Shaba project and so on? It must have been particularly difficult.

PODOL: Only because it was isolated and you really couldn't get a handle on what was going on. There was no direct communication really. So, you had to go out there to see what was happening.

Q: You had a contractor who was working in the area?

PODOL: Yes. And it was mixed: they had good people and not so good people. It's hard to find people who want to live under those isolated circumstances. So, it was a mixed bag, with personnel. Even on PL480, the Mobuto people found one way to beat the system. That was on the transportation. USDA writes contracts for the shipment of grain. The government has to approve the contract. So, the government of Zaire recommended a particular company to haul the grain and they got the contract and there were kickbacks to the government officials. My counterpart in the Finance Ministry, who was U.S. educated, showed me some of the cable traffic and what was going on, so we knew that. You had to be very careful working in the country, if you wanted to get anything done.

Q: How would you assess your overall experience of working in Zaire?

PODOL: I was fascinated by the situation. We're talking strictly about working with the government. The Zaire people were, by and large, very pleasant people, very outgoing, very talkative. But you knew what was on their minds because they didn't hide it. The Minister of Agriculture would call you and say, "Hey, my village out here needs this, this and this. How about a project in my village?" They were open about it. You just had to fend them off, which we did. And they didn't kick up a fuss. They didn't say, "We're going to throw you out of the country and denounce you if you don't do this, this or this." We didn't have any of that problem. We had a military training installation there, too. And it was the largest listening post in Africa. So, we had many things going. There were a lot of official Americans in Zaire. We were just one little piece of it.

Q: Did you travel around the country much?

PODOL: Yes, all over the country.

Q: And how did you find different parts of the country?

PODOL: You could really debate as to whether Zaire is a nation, or a series of - because of its size and lack of infrastructure, communications and transportation - semi-autonomous regions. I think the latter. Eastern Zaire, for example, its economy is linked to the east. Their economy is linked to Nairobi instead of west through Kinshasa. The commodities that go out go to the east, not the west. Much of Shaba also links through Zambia and out through South Africa. So, economically, it's a very fragmented country. And now politically, it's become fragmented.

Q: Were you engaged in any economic policy, policy reform initiatives?

PODOL: No, that was left up to the IMF and the World Bank. I think this was a decision in Washington to stay away. Remember why we were in Zaire: it was for non-developmental reasons. We had a development program, but it was for non-developmental reasons. We wanted to maintain the good relations with the government so we could use the bases for supply in Angola, and we had our listening posts there, communications, and we didn't want those disrupted. So, you didn't want to give the government a hard time.

Q: So, we weren't at that time, as we had in previous times, pressing the government hard on economic reform?

PODOL: No, we were urging the IMF and the World Bank to do that. But it was hopeless. The government may agree to something, but they would not stick with it. They figured that nobody was going to force them to. They weren't going to lose much if they didn't.

Q: Were we providing much in the way of balance of payments to the system?

PODOL: No, we had the small commodity import program with the tire plant. And, if you want to count wheat imports as balance of payments, which you could. An interesting battle: the French were trying to take the market away by bringing in subsidized flour, which would then wreck the mill. That's what the French were trying to do.

Q: Any other comments on the Zaire experience?

PODOL: Yes, indeed. Several things that made Zaire stand out uniquely that I want to get into. Near the end of my tour, we had a new Ambassador, who didn't trust AID and didn't really trust me either, and wanted to micromanage in a way that I had never run into before. What he did was give his Economic Officer oversight of the mission. He blocked and picked at everything we did.

Q: Who was the Ambassador?

PODOL: Brandon Grove.

Q: Career?

PODOL: Yes. One example: I mentioned the North Shaba project. It had reached the point where one of the major obstacles to further growth in North Shaba was lack of electricity. With the increase in production of corn, the economy was growing, money was available, small industries and shops and so on were building up. But they lacked electricity. NRECA, the National Rural Electrification Association, that worked in Bangladesh, wanted to come out and see what they could do. This was their initiative. They came out and we wanted to set up mini hydro facilities in the river. The Ambassador vetoed the proposal--no sound reason given. Just didn't like the idea. AID/Washington had given us the green light to design another agriculture development project modeled on North Shaba. We explored several regions of the country and decided the best bet was to extend the North Shaba Project to the south. But the Ambassador said in effect, "Well, I don't trust you really" and he sent his Economic Officer out to tour the area, to make sure that what AID was proposing made sense. Then we had a big meeting where he questioned us on it. He finally did agree, but this was the kind of thing that I had never gotten into before. Then we wanted to bring out an engineer to oversee our road projects. He couldn't let us bring out an engineer. A little later, when I happened to be in Washington, I got called into the office of the Senior Deputy Assistant Secretary for Africa, Frank Wisner. We went over this situation. Princeton Lyman (another Deputy and long time AID staffer) was there. He had brought it to his attention. Ambassador Grove was ordered to let us have the engineer and some breathing room. So, this was a unique experience. It was my one bad experience with an Embassy, really bad experience.

On the Washington side, a similar problem. Under the Reagan Administration, of course, there was a changeover in AID people. The new Assistant Administrator for Africa, Frank Ruddy, was strongly opposed to family planning for his own philosophical reasons. He was a very devout Catholic. We had a new family planning program that we wanted to put in place. He blocked it; refused to fund it. This went on for some time, back and forth. He used as a reason for his opposition that we wanted to provide family planning services to women without their husband's consent. It was in the project paper. It was an issue in Zaire. And he refused, saying, "You can't do that. You have to get the husband's consent." That was his excuse. Once, when I was in Washington, McPherson called Ruddy and myself in and we went over this: "Are you ready to unblock the funds and let the mission proceed" McPherson asked. He gave no reasons; interestingly, he was soon out of his job.

Q: Do you know what year this was?

PODOL: This would have been about 1982 or 3, probably '83. In Africa Mission Director meetings, he would promote abstinence and the rhythm method as the only things that AID should ever get into. This was the problem. So, that was unique. The other was the fight I had with CRS, Catholic Relief Services, over a PL480 Title II program. They

had a Title II program in Zaire, a maternal, child health feeding program, which was going well. So, I met with the local director and said, "Okay, why don't you come up with a phase out plan? You can find in Zaire all the local foods that you need to run this program." They grew soy, they grew corn; you didn't have to bring in corn and soy. They said, "No, we won't do it. We will not come up with a phase out plan." We went around and around. I said, "You ought to do it." They said, "No, we won't." They brought out one of their top officers, and he said, "Look, we intend to be in this country for the next fifty years. We want this food because it's our entree to get what we are after in this country. If you force us to have a phase out plan, we'll quit." I said, "Okay, quit" and they did. This went to McPherson and he had a review of it in Washington and, fortunately, upheld the position I took. So, they went to Congress with this. The next time I was in Washington, I was called in by the staffers on the House Foreign Affairs Committee for Africa. The staffers had been briefed on my disagreement with CRS. What really upset me was that they had memos from the Washington Food for Peace Office that I had never seen and they asked me about these memos. They were leaked to them by a woman who was very close to CRS. In fact, after she left AID, she went to work for CRS. So, these were the kind of experiences I had in Zaire that I had never had before. We had another small program in the Congo, which was run by CARE, and we really didn't have much input into it. They ran it; they did rural development activity.

Q: Was the CRS program phased out?

PODOL: Rather than phase it out, they just up and left - quit, refused to come up with a phase out plan. It wasn't within their broader agenda.

Q: So, nobody was able at that time to really overrule the procedure that you had made?

PODOL: No, nobody wanted to anyway. So I had nothing but problems in Zaire, from the standpoint of working in the country, from the Embassy, from Washington, and so on and so on and so on. It was an experience that I'll long remember. To put the whole thing into perspective, soon after I got there, one of the people on the mission staff introduced me to five U.S. educated Ph.D.s in Education, with whom he was working.

Q: That he knew well?

PODOL: He knew very well. None of them had a father who had gone to high school. This tells you what kind of a country we're dealing with. In fact, what you can say about Zaire, and this was true of most Africa, is that back at that time, we were dealing with first generation modern. These people had one foot in the old culture and one foot into modern Africa, and they were torn in one way and the other way. They were in neither camp. I think it takes a couple of generations before you can institute real change.

Q: What were they all doing?

PODOL: Two of them were running a training institute which we were supporting, an in-service training institute for civil servants. We found out that the vehicle provided them, a vehicle for the Institute, they were using for a taxi service and pocketing the revenue. This was just one example of misuse of resources. Well, what do you do? These were conditions you worked under. What we did was we pulled out all our support from the Institute. It got so bad that we couldn't handle it anymore. They wanted us to rebuild and expand their facility and I knew, if we tried that, where the money was going to go. So, we just quit and got out. That's what you had to do: pull away. You couldn't reform. You just had to pull away.

Q: So, you finished up in Zaire when?

PODOL: 1986. Went on mid-tour transfer to Uganda. That's what I was offered and I was delighted to go, though no one else seemed to want to go because of the war that was just finishing up.

Transfer as Mission Director in Uganda - 1986

Q: This was the war with Tanzania?

PODOL: No, this was the civil war. The latest, and I hope the last, civil war, which finally drove Obote out the second time, and his predecessors. I went there on a short visit in May of '86 and the government had captured Kampala in January, so things were just settling down. I heard all the war stories. The AID people had been trapped in the AID Mission for more than 24 hours. They couldn't leave because of the fighting. Fighting on the lawn of the Ambassador's residence, and the shells that were going overhead. So, it was new on everybody's mind. The people who'd been evacuated were just starting to come back in May. So, when I got there in July, it was like starting over again. It was like night and day from Zaire. And I mean that in the positive way. The president was dedicated to development. Again, no Swiss bank account or hint of ripoffs, though some of his subordinates certainly were into it. I met with him a number of times. We'd sit down, hold a conversation, sometimes at his request. We'd go over real issues, he'd make real decisions, and things would happen. It was a delight working with the man. The kind of person he was-

Q: This was Museveni?

PODOL: Museveni. AIDS was just becoming known then, and his advisors said, "We have to keep this quiet. It's going to make us look bad." He said, "No, we've got a problem. We want the country to know about it and we want to do something about it." So, it came out in the open, and we had a counter-AIDS program because of this. In other countries, they hid it. Not him. This was the kind of person he was. It was a delight to work in Uganda. In the early days, at night, yes, we turned on the air

conditioner to drown out the gunfire, but you learned to live with that. We had his and hers flak jackets.

Q: You had those?

PODOL: Yes, we did. My wife and I each had one. We had hand grenades. The AID Mission Director had an armor-plated vehicle that had two rocket launchers in the front. We never drove it because, first of all, the gas mileage was awful, and, secondly, the roads were so rutted that you couldn't make the vehicle just bounce through the ruts. So, I never rode in it. We finally got permission to get rid of it and gave it to the Marines. But that was in mid-1986. Then things returned to normal.

Q: AID had bought this for the Mission?

PODOL: Yes. I say this to give you some background of what it was like. The first time I went into the field, in the richest area, around Kampala, which is called the "Luwero Triangle," the center of their coffee growing area. You went down either side of the road and you could pluck the foliage, which had grown in over the road. You'd come to towns and there would be piles of bones. This had been the torture center for the Obote forces. You could see the skeletons. The villages would collect skulls as a reminder. They put them on the side of the road in a kind of a memorial. They'd make several rows of skulls that you'd see. What I'm really trying to share was that the nature of what you had to do in Uganda was really rehabilitation. When the military would go through a building, they'd rip out all the fixtures: the electrical wiring, they'd take the window frames and knobs, because you could sell all that in the market. So, everything was just devastated. I'd say the core of our program initially was, first of all, physical rehabilitation - the agriculture research facility, for example. But also the private sector. There were a lot of dairy farms around, coffee plantations, and they'd gone and destroyed the buildings. So, we had a loan programs set up with one of the banks. We would put up hard currency so they could import what they needed to rebuild their farms. Sometimes, that would be cattle as well as fixtures. So, it was a rehabilitation program primarily, but our focus was on agriculture, agriculture rehabilitation. And we worked with the co-ops. We got into environmental programs, in which there was an interest. And the small loan program. The other area of interest to us was health and then family planning. And then came the focus on AIDS, as that was an issue of great importance. Every couple of weeks, one local person on the staff would die, in the Embassy, for example. They were gone, and AIDS would be the answer. So, it was getting the message out on AIDS.

Q: What was the Mission strategy for dealing with AIDS?

PODOL: There were two. There was a major publicity campaign - we weren't the only ones into this - to make people aware of what AIDS was and how it was spread. In the African culture, you were asking a lot, because staying faithful to one's wife was not the norm. Back in Zaire, they had a term for this. You'd invite a Zairois out to an affair and

you didn't know who he'd show up with as a female partner. The term was "Deuxième Bureau," the second office. That's the term they gave to their mistress. And it was just as common to bring a mistress to a social affair as the wife, if not more common. And so you had the same situation in Uganda, where you didn't remain faithful to one woman, but you freelanced throughout the society. So, it was socially a very difficult message to get across. So, you tried to do this. The other was to make condoms available: if you were going to fool around, you'd better use your condom. And Africans don't like to use condoms. They say it interferes with the pleasure of sex. We had a problem there. The third, which we started, which really our Division Chief started on his own initiative, were AIDS support groups. These were getting together family members who had a death from AIDS or had somebody dying from AIDS, and providing psychological support to those family members. This idea was accepted and signed in Kampala. That was the core of our program.

Q: AID started the testing program when you were there?

PODOL: No.

Q: Do you recall when started it or not?

PODOL: I don't really recall. I don't think it had started, but it may have just been about to begin. They found that there was some testing going on, but the quality of the testing was not good. You had to be very careful. We didn't have the controls or the qualified people to do it properly.

Q: How did you find the government's support in doing the program?

PODOL: We found that, with the Minister of Health, we got excellent cooperation. Within the Ministry, we found that the number one civil servant could be very difficult to work with. In agriculture, it was the opposite: the Minister was very difficult and the senior civil servants were very easy to work with. So, you had a rather mixed picture.

Q: And the agriculture, what were you concentrated on?

PODOL: Primarily working with the Faculty of Agriculture and with the Agriculture Research Institutes. With the Faculty of Agriculture, it meant sending people to the States for advanced degrees, and providing American professors through Ohio State and Minnesota to replace them while they went abroad for training. And in working with the Dean on the curriculum. And rehabilitating their Agriculture Research Station, which was right outside town. That's where they trained their students and did experimental plots and so on. So, physical rehabilitation, staff development, and some curriculum.

Q: Were you working at all with farming implements or support - cooperatives and things of that sort?

PODOL: Yes. We had a major program with the agriculture cooperatives. They were quite effective.

Q: What were they doing?

PODOL: They were selling. Cooperatives were getting into marketing and milling. We worked on the management of co-ops to improve their management structure.

Q: Was ACDI involved in it?

PODOL: Yes, with ACDI (Agricultural Cooperatives Development International). We were also rehabilitating some of the other research stations, which meant going in and putting housing back in shape where people could live in it, and rehabilitating the station. We had a mechanic there who was rebuilding equipment, working with the local people on rebuilding equipment. These kind of things.

Q: Did you find any of the former AID projects in the country you could rehabilitate or put back on their feet?

PODOL: A lot of these had been before, but had been suspended and came back.

Q: What about the USAID-supported Torro School for Girls, a project of the 1960s?

PODOL: We were not in education at all. Washington at one time called and said, "Hey, we've got our education money. Do you want it?" And we said, "No, we can't handle it." We didn't have the staff to work on it, except for the agriculture faculty. That's about all.

Q: How big a program was it?

PODOL: It was growing each year. Uganda was in favor in Washington. It must have crossed the \$10-12 million mark, going up to \$15 million. We had a PL480 program, which was different. Uganda had the best soap-making plant in all of Africa. It had shut down during the war. The owner was what they called an "Asian." He came back and reopened the plant and he needed raw material. You had two choices: he could get palm oil from Malaysia, for example, or he could get animal fat from Europe and the U.S. So, our PL480 program was bringing in the animal fat to make soap. So, we were providing soap for the countryside and, at the same time, gaining local currency, which supported our other programs in cooperation with the government. And for the long-term opening up the possibility of a U.S. export market. They were very, very short of cooking oil at this time, so we brought in oil and sold it through a government agency. So, they had cooking oil on the market. Those were the two PL480 programs.

Q: What is your overall impression of the impact of our program there? Was it significant in terms of rehabilitation?

PODOL: It could have been and should have been, but we're talking time frames again. We were just getting rehabilitation going. It didn't happen overnight. The dairy farms that we worked with, they got their loans, their equipment was being imported, they were going back in business. So, these programs gave every indication of rehabilitating the economy. Exports were picking up in pineapples, for example. Just as I was leaving, the newest program got under way, and that was the return of Asian properties. When Idi Amin kicked the Asians out, the government took over the properties of the Asians and ran them into the ground. Museveni, when he came in, invited the Asians to come back and said they could have their property back. If they couldn't find them, or who knows, then the property would be sold to local Ugandans. A number of the Asians did come back. They were petitioning to get their property back. As I mentioned, the one that came back and took over his soap factory. He came back as a Ugandan. They'd been in Canada. His wife retained her Canadian citizenship, which gave him both an out and a connection for imports and so on. So, that was how they played the game. We had brought somebody in to help them work up their divestiture program. This was the area that was really open to finagling, because the Ugandans really wanted some of these properties. I don't know how this finally shaped up, but this was one we were working on. That was the worrisome one. But we must have been doing something right because in my last two years in Uganda, I received performance pay awards.

Q: Did you have any particular problems or questions or relationship with the Embassy?

PODOL: I did have the full support of the Ambassador.

Q: Who was that?

PODOL: Robert Houdek, who was the most knowledgeable Ambassador that I've ever worked with. He'd been in Kenya. Then he went to Ethiopia. He really knew East Africa and that was a big plus. We had no problems. But it illustrates another kind of problem that AID might have if it ever was combined with the Embassy. The AID staff was much senior to the Embassy staff, because the State Department people that worked in small African countries were Junior Officers. So, I outranked the DCM and was the same rank as the Ambassador. The Economics Officer was just past his internship on his first real tour. The Political Officer I think was on her first or second tour, several grades below our people. This did not cause us any problems there, but it could have if they had really tried to get involved. They didn't. But if you put the two organizations together, how do you do it with the disparity in ranks in these countries that are not important to the State Department but are important to AID?

Q: Did that affect who was on the list to be invited to Ugandan functions?

PODOL: No, it wasn't that. It was, what do you do to merge the two? How can you have the AID people outranking the Embassy people? It would be very difficult to try and get that across. I'd been through 32 years of government service, which the DCM didn't

have. Add in the Political and Economic Officers, I have more service than the three of them put together.

Q: What about relations with Washington?

PODOL: Great. Chuck Gladson was the Assistant Administrator. He came out to visit us, thought we had an outstanding program, and went back and said, "I want Uganda increased." So, we had excellent cooperation and usually Larry Saiers, one of the Deputies.

Q: Larry Saiers?

PODOL: Yes, Larry Saiers was the one we worked with. From time to time, he was a little more difficult because he sometimes tried to nitpick. He said, "You want to bring out four people to work in the university? Why four? Why not three?" You know, the kind of stuff where it can drive you crazy, to have to justify that sort of thing. Other than that, we had no problems. So, I found it was a really delightful post.

Q: You were there-?

PODOL: Until July 1989.

Q: Any more about your Uganda experience?

PODOL: Maybe just a postscript that might be of interest. Museveni was from the southwestern part of Uganda. He was the first president of Uganda from the south. All the others had been northerners. So, this gave him a range of support in the south, but not in the north, where the problems still are. But he was from the southwest. His wife, if you were to see his wife, you would think she was a Tutsi, which she wasn't. But she was a cousin of the Tutsis. Museveni's grandfather had come up from Rwanda, or whatever it was called at the time, with his cattle and settled in Western Uganda. The point I'm making is that there were very strong relationships that still exist between the Museveni family and the Tutsis, who are now running Rwanda. So, when the Tutsi refugees had to leave Rwanda, they came into Uganda and were there in Uganda for many years. They fought in Museveni's army against Obote. These were the people that came back and overthrew the Hutu government and now rule. So, you have a very close relationship between the current Rwandan government and the current Ugandan government. The other is, we were pushing Uganda to hold elections, have a constitution. And Museveni was resisting not so much the presidential election, but the constitution. Here again, you get into the question of what is a cohesive nation. At the time of independence, it was a series of Kingdoms, which the British stitched together and called it "Uganda." The Kingship idea is still alive. Museveni invited back the heir to the throne of the people who live around Kampala. That was a big decision: whether he should be allowed to come back or not, and, if he did come back, would there be

problems? I ran into this personally once. The head of one of the banks that implemented our loan program took me on a tour of his facilities out west. He was from one of the former Kingdoms in the southwest and his uncle had been the last King. He was a Prince. His cousin would be King if they had restored the Kingdom. So, we went out there. I didn't know what was going to happen. We got out there and, there it was, set up like a throne, he sat on it. All the people would come by, bow, pay their homage, hold a big party for him. Royalty. So, the feeling is still there. The feeling toward the old Kingdoms, tribally-based Kingdoms, is still there. So, you had to worry about "What kind of government can I set up? If I decentralize, what's going to happen?" For them, it's an extremely tough question.

Q: Do you think that was part of Museveni's concerns about elections?

PODOL: Absolutely. So, he first had village elections and now they have a Parliament. And they had presidential elections, but that was pretty one-sided. As far as I know, they still don't have a constitution that delineates power to regions, the old Kingdoms. Like everywhere else in Africa, they don't have a common language, which makes it that much more difficult for all these countries. English is the link language, as we found out in India. It was the only common language in India, among the educated people.

Q: Any more on Uganda?

PODOL: Yes, I do have one more thing. One lesson that was learned was that, in Africa and maybe beyond Africa, people do not distinguish between public and private resources. That means that, if you are a government official and you have money or jobs, commodities at your disposal, your family, your clan, your village expects you to share those resources with them. If you don't, you become an outcast in your own village. So, the pressure they put on government official is very severe to share resources. Often, it is not resisted. In the agriculture research station of the university, we provided a tractor. Every so often, that tractor would disappear for a day or two and we'd find out it was out plowing the land of somebody nearby. We'd go to the Dean and say, "Why do you do this? That tractor is for your research station and for nobody else." Here we'd go into this situation again, about the demands that are made by his neighbors, and friends, and family members. They don't distinguish. If those resources are there, you can use them. You were entitled to your share. So, you look at corruption in a little different way when you understand some of the roots of it in these kind of cases.

Q: Following Uganda, what was your next-?

PODOL: I came back here to the States, settled back here in Reston, where I live now.

Retirement and consulting - 1989

Q: You retired?

PODOL: Yes.

Q: You retired in 198- ?

PODOL: July 1989. It was a time in class situation.

Q: Before we go on to the general, are there any particular experiences since 1989 that you want to relate to AID work?

PODOL: I've done some consulting, as a lot of people do, and went out to India twice, once on a project design, once on a project evaluation. I've done four studies in Washington for the Child Survival Program. Also, I spent six weeks in Sudan in 1990, acting as Food for Peace Officer when they didn't have anyone, which was a unique experience. There again, we were into wartime conditions. I remember flying down to one of the town on the Nile River and, as we landed, the pilot was taking evasive action against potential missile attacks, which I didn't know before had happened, but there it was. The town was surrounded by rebels. We were in there looking at food stocks with the World Food Program people. So, that was an experience.

Q: You were part of the business of supplying food to the rebels?

PODOL: From Khartoum, we were supplying food to refugee camps, which were all over the northern part, and to some of the government-held towns. Through Kenya: that was the route that was going to the rebel held areas in the south. To give you an indication of the conditions, the senior official in the Ministry of Rehabilitation and handling food was a Muslim fundamentalist, who didn't look kindly upon providing supplies to the Black Christians. He was an Arab and they were Black Africans. This was, in our terms, a very extremist government in Sudan, and difficult to work with very difficult.

Q: Were you able to get supplies to the people?

PODOL: After much effort, yes. It wasn't easy, but you could. You had to really work at it.

Q: What was the major bottleneck?

PODOL: The transportation system was pretty much broken down. And, depending on where you were going, you weren't going to get a lot of cooperation from government officials, because of their bias against Black Africans, who were a large part of the refugee population.

Q: But you were, by and large, able to overcome these problems?

PODOL: Well, we could. We and the World Food Program worked together pretty well. Yes, we did, reasonably well. Then, the most fun thing of all, and different, my wife and I went to Prague in 1991 to teach English. Spent four months there. We were in the General Staff School of the Army and Air Force. We were teaching English to senior staff officers. The Czechs did, and still, wanted to go into NATO. And, if they had to enter NATO, then they were to supplement their Russian and German and whatever else with English, so we were teaching English, which was a very interesting experience.

Observations on and experience with development programs

Q: That pretty well covers it. Let's talk about what you can sum up from this experience: what you found works and what's important. What should people understand about the process?

PODOL: What you have to understand about the development process, first of all, is that it takes time. The amount of time it takes is going to vary considerably with the culture in which you find yourself, the country in which you find yourself, and its stage of development. Going back to the Sixties in Africa, it's nice in hindsight to say we should have realized that we should have had a 40 or 50 year development plan, a two or three generation development plan, because that's what it was going to take to really institutionalize change. In some areas, it was less. But, generally, nothing much was going to happen in a two or four year tour of duty. Our time horizons are forced to be short term by the political process back here in the States as much as anything. We've currently never been able to overcome that.

As a contrast to Africa, I would mention Korea and Taiwan. I was in Korea in 1951-52 during the War, and I've been in Taiwan also. I taught a seminar there once. There was a striking difference in the level of education and the cultural differences. This led us to believe that development would be far more rapid in those countries and it was. Korea had very rapid industrialization, in one generation, spearheaded mostly by U.S.-educated managers and technicians. I visited Taiwan in the Sixties, went out to the farms, and was amazed at the level of sophistication in their agriculture. They were growing two crops in the same plot: tall, short - far superior to anything I had seen anywhere else in the world, in the developing world. So, they were way ahead. My first experience in Asia was in 1951, a troop ship going into Japan. Looking over the side of the ship, there were the Japanese stevedores running to get the ropes to tie the ship down. I'd never seen anybody run before to do that kind of work, but there they were doing it. It's that cultural difference. And the Koreans didn't loaf around; they worked.

Part of this experience in India, and you could say in Korea and Taiwan also, when you had chaos - refugees, movement around - that this broke up the mold of the old system, the old way of thinking and doing things, and that change was much more easily instituted. In India, another successful program was with war veterans, who'd come back

to an area that they hadn't been in before and resettled there. They were dynamic leaders in change. So, those were the kind of lessons that I also think were important.

Another for me personally: often, I felt I was out of step with AID thinking. I felt that AID policy was pretty much set by economists and the economic point of view. With my background in political science, I was always interested in the political and cultural factors that went into development. To me, this often made the economic recommendations not really implementable. You were going to run into political problems that made it impossible, or cultural problems that made it impossible. You'd go back and forth on this quite often.

Q: Any examples?

PODOL: Let me give you one kind of neutral example: India. One of the agricultural research programs was in cotton at one time. U.S. experts and their Indian counterparts went out in the fields and saw that the Indians were growing cotton with a very long stalk and a small ball. So, we introduced a new variety of small stalk cotton that had a much larger cotton ball. It was grown for a year or two successfully. They went back after a couple of years later to do their evaluation, and found that the farmers had returned to the old system and couldn't figure out why. It turned out that the stalk was an important source of fuel, more important to them than getting additional cotton to sell. So, they went back to the old system. Nobody thought of this. These are the differences between the technical experts and those that try and understand why people do things the way they do. There's a reason for it.

Q: What about on the political side? Of course, we've had a number of those already. Maybe you could summarize that a little bit.

PODOL: On the political side, it was really highlighted in Africa and, to a lesser extent, in India, where you really don't have nations as we understand them, but you have tribal groups. Tribalism is the key element, I'd say, throughout the world. You had tribal groups in Africa. If you showed favoritism toward one tribal group as opposed to another, you lent yourself to a political explosion. So, when you determine where you're going to put a road or a factory, a piece of development, you have to take into account balancing out these political concerns. If you put too much into one tribal area and ignore another, you're going to get into deep political trouble.

Q: You made the comment earlier about having a viable government and I think this seems to be in contrast with that in general.

PODOL: Even India, we looked at India as a viable nation. And it is, but there are great tensions between north and south India. The Hindu-speaking Northerners controlled India. And the southerners resented this. You had separatist movements in places like

Madras, in southeast India. And language rebellion against the use of Hindi. So, these were the kind of things that, even there, you would have to take into account in your programming. In Sri Lanka, you've got a civil war going between the Tamals and the Sinhalese. These are all examples of forgetting the political side when you go through your programming. And you can find the same thing in cultural change, too, expecting people to adopt different ways of working when it's alien to their culture.

Q: Do you have some other points?

PODOL: I think I've said most of what was on my mind.

Q: What do you feel about what works in development? Looking back over your time, what do you feel somewhat satisfied with? Was there something that was useful and worked?

PODOL: There are a number of things. The basic is developing your human capital. I think that's the base of development. Without that, nothing else is going to happen. Any time we had a program that educated and trained people, I think that was a step forward. And when you educated and trained their sons, that was two steps forward, or three. In Turkey in the Sixties, my key assistant, who was making a good income, would come to me and say, "My relatives in the village want me to give them money because they see I'm making all this money," which he wasn't really, but by their standards he was. And, "What am I to do? I can't afford to support my relatives." It takes time to change that way of thinking - and social welfare system. Again, in Uganda, you couldn't live on a civil servant's pay. You got food from the village, so you had to give them something in return. These are the cultural things that we have to understand. That's a social security system that we're not aware of. Until those links are broken, civil servants and businessmen are trapped.

Q: What did you think about the other programs? Do you think any of those have had lasting effects?

PODOL: I'm confident that the programs in India did. They had a role to play in their reaching self-sufficiency in food grains, which they have. They've got a reserve stock of food now, which they didn't have 30 years ago.

Q: And the family planning field?

PODOL: That is one that takes a long time to measure. I think the lesson learned there is that, until you reduce the death rate, the infant mortality and child death rate, you aren't going to have the birthrate go down very much. Not outside the big cities anyway. I think we learned that, if you look at the birthrate in India in the Sixties and today, you'll see that it has declined significantly, though not nearly enough. And the death rates have gone down, infant mortality rates, too. Where they've gone down, you find this to be true. So,

these programs can be made to work, but they have to have a time frame, a set of circumstances to make it work.

Q: You, of course, were in the foreign assistance business during the period of the Cold War. Did you ever feel the tensions between the importance of addressing the threats and Communism as opposed to trying to halt genuine development efforts, or was there not an issue there?

PODOL: Let's say that that issue could well determine the size of the program in a country. But I don't think it impacted on what you did with the money once you got it. It certainly affected the budget level in Zaire. I suspect it did in Turkey also, because Turkey was a NATO member and there were Russians right across the border. So, in that sense, it affected the size, but not what you did with the money. I didn't have that happen.

Q: You didn't feel that you were being forced or encouraged to skew the program in any way that would make it less effective because you had to meet some sort of political need?

PODOL: Political need? No, even in Zaire, we were able to use resources as we would want to. We weren't forced into projects to satisfy the government. Even there, we didn't have that problem.

Q: How would you sum up your experience with AID as a career?

PODOL: If I had it to do over, I would, without hesitation. I thought it was the most important, useful way I could spend my time. I've never regretted it. It's not without a price. You're cut off from your own culture, your friends, your family. Your children grow up in a very different environment than other Americans' kids grow up in and they can pay a price for it, too.

Q: What would you say to someone that wanted to go into this business now?

PODOL: Given what I hear about what's going on in AID today, I wouldn't be encouraged at all. I don't know that there's a career there anymore.

Q: How did you find AID as an organization? Administratively and operationally, as well as development.

PODOL: Administratively, it was a pain because there was too much attempt to micromanage from Washington, and often by people who didn't really know what they were doing, that had no experience in development as it occurred in the field. The paperwork demands far exceeded the ability to analyze and utilize what was coming into Washington. When I worked in Washington, the concern was "Do I really know what is

going on in the field?" I don't know that AID really did know what was going on in the field. Because of the distance, you could be fooled by what the field was reporting to you if you weren't really sophisticated about it. So, administratively, AID wasn't a help.

Q: From a development orientation?

PODOL: From a development orientation, fairly neutral. I don't know that there was much of a contribution, but I don't know that there was much of a pushing in the wrong direction either. By that, I mean that you were pretty much left to do your thing in the field, despite all of the oversight.

Q: How did you feel about that?

PODOL: You always felt that was good, sure. You felt you knew what you were doing and that was good. But to get an outside opinion now and then would have been appreciated - by people who knew what they were doing. I never felt that the advice I was getting from Washington really meant a lot. We felt the major weakness was lack of appropriate orientation.

Q: Who do you mean by that?

PODOL: By Washington, by AID. That was left up to the field.

Q: For the newcomers?

PODOL: Yes. And, if you were in a small Mission in particular you really didn't have the resources to spend time with much orientation, unfortunately. I think we were also remiss in the field in not doing it as we should have. Just throwing somebody into it and saying, "Find out what's going on." That, I felt, was a major problem.

Q: Any other general summing up? Any remarks you'd like to make?

PODOL: No, I think not. That about covers what I can think of.

Q: Well, this is excellent. And we got it all done in one day. That's terrific. We'll get back to you-