

Speeches of Peter M. McPherson USAID Administrator

January 28, 1986 Through June 22, 1987

Administrator's Copies

SUCCESSSES IN LAST TWENTY-FIVE YEARS

A. CHILD MORTALITY REDUCED BY ONE HALF

SMALLPOX ELIMINATED

PORT SUCCESS

MALARIA VACCINE WELL ON THE WAY TO DEVELOPMENT

B. LENGTH OF LIFE IS 10, 15, 20 YEARS LONGER IN VARIOUS COUNTRIES

C. EDUCATION ELEMENTARY EDUCATION IS MUCH MORE BROADLY AVAILABLE

IN NEPAL 25 YEARS AGO 2 TO 3 PERCENT OF THE CHILDREDN ENTERED

SCHOOL, NOW IT IS ABOUT 70 PERCENT

D. AGRICULTURE

UNDER AGRICULTURE, GREEN REVOLUTIONS IN ASIA

START IN AFRICA, E.G. SORGHUM 150 PERCENT INCREASES IN SUDAN

RESPONDED TO DISASTERS SUCH AS FAMINE IN AFRICA LAST YEAR

ECONOMIC POLICY FOCUS ESPECIALLY IN THE LAST SIX YEARS

REAL PROGRESSS IN AFRICA IS EXEMPLIFIED BY THE UN CONFERENCE

AID MADE THE MOST CONTRIBUTION IN LATIN AMERICA, ASIA AND THE

MIDDLE EAST

THAT COUNTRIES ARE SIGNIFICANTLY CONTRIBUTING TO THIS PROBLEM,
E.G., U.S. SUGAR QUOTAS AND EUROPEAN SUGAR PRODUCTION INCENTIVES.

OVERALL THERE IS A GROWING CONSENSUS AS TO THE LESSONS THAT
We know many of
HAVE BEEN LEARNED ~~AND~~ THE THINGS THAT NEED TO BE DONE ON THE
DEVELOPMENT SIDE OF THE PICTURE. THERE IS MUCH LESS CONSENSUS
ABOUT HOW TO HANDLE THE TRADE, THE DEBT AND THE POLITICAL
STABILITY ISSUES.

WHERE DO WE GO IN THE NEXT 25 YEARS?

I BELIEVE FIRMLY THE THIRD WORLD SHOULD BE SUBSTANTIALLY BETTER
OFF THAN TODAY. SOME KEY FACTORS ARE ARE IN A POSITION TO REALLY
HELP.

MASS MEDIA IS MORE AND MORE PLAYING A ROLE IN THE DEVELOPING WORLD
E.G., 90 PERCENT OF EGYPTIAN POPULATION HAVE SOME ACCESS TO
TV, YOU FIND HERDSMEN IN THE SAHEL WHO HAVE TRANSISTOR RADIOS.
THIS MASS MEDIA PROVIDES THE MEANS OF COMMUNICATING INFORMATION
AND BRINGS ABOUT CHANGES MUCH MORE RAPIDLY THAN IN THE PAST.

LESSONS LEARNED IN THE 25 YEARS

ACHIEVING ECONOMIC GROWTH IS NOT LARGELY A MATTER OF RESOURCE TRANSFER.

MEXICO AND NIGERIA HAVE IN EFFECT HUGE AMOUNTS OF OUTSIDE RESOURCES.

ECONOMIC POLICY IS THE KEY

WE HAVE LEARNED THAT PEOPLE WILL REACH AND WORK HARD TO BETTER THEIR LIVES

WHAT PEOPLE NEED TO BE ABLE TO MAKE THE CHANGES IN THEIR LIVES ARE CHANGES IN THEIR ENVIRONMENT, E.G., TRAINING, NEW TECHNOLOGY, PHYSICAL INFRASTRUCTURE, ETC.

WE KNOW THAT ECONOMIC POLICY E.G., FARM GATE PRICES, ARE EXTRA-ORDINARILY IMPORTANT

THE LAST 25 YEARS LEAVE WITH US A NUMBER OF VERY DIFFICULT PROBLEMS

DEBT

POLITICAL INSTABILITY AND IMMATURITY IN A LARGE NUMBER OF COUNTRIES ESPECIALLY IN AFRICA

COMMODITY PRICES OF MANY THIRD WORLD COUNTRIES ARE DOWN.

EDUCATION FROM PRIMARY EDUCATION ON IS MUCH MORE READILY AVAILABLE NOW THAN IN YEARS PAST AND EDUCATION IS A KEY BUILDING BLOCK.

THERE IS BETTER TRANSPORTATION THAN IN TIMES PAST AND THIS WILL FACILITATE CHANGE AND GROWTH

THERE IS MORE ECONOMIC FREEDOM AND THIS SHOULD ALLOW FOR MORE CHANGES

FAMILY PLANNING

NORPLANT/THIS WILL HELP ON THE ABORTION ISSUES

RETAILS SALES

HEALTH

BIOMEDICAL RESEARCH -- MALARIA, SHOULD BE ABLE TO HAVE A REAL IMPACT ON DIAHERREA DISEASES, OTHER TROPICAL DISEASES SUCH AS RIVER BLINDNESS , SCHISTOSOMIASIS, ETC.

AGRICULTURE

GREEN REVOLUTION IN AFRICA

DRY LINE AGRICULTURAL METHODS FOR ASIA, NORTHERN AFRICA,
ETC.

ROLE OF WOMEN

ENVIRONMENT

FAST GROWING TREES

EXTREMELY DIFFICULT PROBLEM AND ONE THAT I AM QUITE

UNEASY ABOUT

MORE LOCAL CONTROL BY PARENTS AND COMMUNITIES

HIGH TECH AVAILABILITY E.G. WE ARE NOW TEACHING TEACHERS

IN NEPAL BY RADIO

ECONOMIC POLICY

FREEING UP MARKETS

BREAKING UP THE NEW ESTABLISHMENT OF GOVERNMENT

ADDITIONAL TALKING POINTS
CARLUCCI COMMISSION AND KISSINGER COMMISSION
(FOR O.D.C.)

- IN MANY RESPECTS, THE CARLUCCI COMMISSION'S WORK PARALLELED THE ASSESSMENT OF FOREIGN ASSISTANCE MADE WHEN THIS ADMINISTRATION TOOK OFFICE.
- THE COMMISSION ESSENTIALLY ENDORSED A.I.D.'S FOUR POLICY PILLARS:
 - POLICY DIALOGUE, TECHNOLOGY TRANSFER, INSTITUTION BUILDING, PRIVATE SECTOR.

- THE COMMISSION MADE SEVERAL SPECIFIC RECOMMENDATIONS. FOR EXAMPLE:

1. "ADOPT A COUNTRY APPROACH TO PROGRAM DEVELOPMENT"

- WE HAVE ACCOMPLISHED THIS OBJECTIVE THROUGH OUR COUNTRY STRATEGY APPROACH TO PROGRAM DEVELOPMENT.

2. "ENSURE CAREFULLY INTEGRATED PROGRAMS FOR SUB-SAHARAN AFRICA AND THE CARIBBEAN REGION INCLUDING CENTRAL AMERICA"

-3-

- AFRICAN ECONOMIC POLICY INITIATIVE PROVIDES FOR A FIVE-YEAR, \$500 MILLION PROGRAM TO HELP ESTABLISH COMPREHENSIVE, GROWTH ORIENTED POLICIES, PRIMARILY IN THE AGRICULTURAL SECTOR.

- THE CARIBBEAN BASIN INITIATIVE IS NOW LAW (EFFECTIVE JANUARY 1). IT REPRESENTS A NEW PARTNERSHIP BETWEEN THE U.S. AND THE TWENTY-SEVEN COUNTRIES THAT COMPRISE THE BASIN.

-4-

IT'S PURPOSES ARE TO IMPROVE THE UNDERLYING
CONDITIONS FOR ECONOMIC DEVELOPMENT TO FOSTER
STABILITY AND DEMOCRACY, ENHANCE FREE ENTERPRISE
SYSTEM, ENCOURAGE DIVERSIFICATION, BUSINESS
OPERTUNITIES AND JOBS. DUTY FREE TREATMENT FOR
ELIGIBLE ARTICLES IS PROVIDED. TWENTY COUNTRIES
HAVE BEEN DESIGNATED TO PARTICIPATE.

- DEMOCRACY, PEACE AND DEVELOPMENT INITIATIVE FOR
CENTRAL AMERICA:

-5-

- THIS IS A FOLLOW-ON TO THE KISSINGER COMMISSION RECOMMENDATIONS.
- THE LEGISLATION PROPOSED CALLS FOR THE AUTHORIZATION OF \$8.3 BILLION IN ECONOMIC ASSISTANCE AND GUARANTEES FOR CENTRAL AMERICA OVER A SIX-YEAR PERIOD.
- THIS INCLUDES A SUPPLEMENTAL APPROPRIATION OF \$400 MILLION IN FISCAL 1984 AND A REQUEST FOR 1.12 BILLION IN FISCAL 1985 AS THE FIRST PHASE OF IMPLEMENTATION.

- PURPOSE AND GOALS:

- ECONOMIC AID AND POLICY REFORM TO GET AT THE
ROOT CAUSES OF POVERTY AND POLITICAL UNREST;
- END THE DOWNWARD SPIRAL OF PRODUCTION;
- ACHIEVE AN ECONOMIC GROWTH RATE; PRODUCE JOBS;
- INCREASE AGRICULTURAL PRODUCTION;
- DEVELOP HUMAN RESOURCE BASE...HEALTH, HOUSING,
INFRASTRUCTURE, FAMILY PLANNING, ETC.

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- STRENGTHEN DEMOCRATIC INSTITUTIONS AND LEGAL SYSTEMS;
- INVOLVE GOVERNMENTS IN POLICY REFORMS.

3. "CONTINUE SUPPORT FOR DEVELOPMENT EDUCATION"

(BIDEN-PELL)

- THIS IS BEING ACCOMPLISHED PRINCIPALLY THROUGH GRANTS TO PVO'S. WE HAVE STEADILY INCREASED FUNDING:
 - 1982 GRANTS PROGRAM TOTALED \$750 THOUSAND.

-8-

- 1984 GRANTS PROGRAM TOTALED \$1.8 MILLION.
- WE ARE REQUESTING \$2.4 MILLION FOR FISCAL 1985.

4. "SUPPORT DEVELOPMENT OBJECTIVES OF PL 480"

- OUR BUREAU FOR FOOD FOR PEACE AND VOLUNTARY ASSISTANCE HAS BEEN SUCCESSFULLY INTEGRATED INTO OUR DEVELOPMENT PROGRAMMING WITHOUT DIMINISHING ITS HUMANITARIAN CHARACTER. 'FOOD FOR WORK' PROGRAMS HAVE BUILT THOUSANDS OF MILES OF ROADS AND PLANTED MILLIONS OF TREES.

- NATIONAL BIPARTISAN COMMISSION ON CENTRAL AMERICA

(KISSINGER COMMISSION)

- VIRTUALLY ALL OF THE RECOMMENDATIONS OF THE COMMISSION HAVE BEEN INCLUDED IN THE "DEMOCRACY, PEACE, AND DEVELOPMENT INITIATIVE I OUTLINED EARLIER.
- IT IS A MAJOR AID PROGRAM THAT CAN WORK.
- THE RIGHT POLICIES BY CENTRAL AMERICAN GOVERNMENTS ARE ESSENTIAL.
- THE REGION CAN ABSORB THE RESOURCES PRODUCTIVELY. THE FUNDS INVOLVED REPRESENT ONLY ABOUT 5 PERCENT OF THE GNP OF THE REGION.

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- AS YOU CAN SEE, THE CARLUCCI COMMISSION REPORT, THE KISSINGER COMMISSION RECOMMENDATIONS, THE CARIBBEAN BASIN INITIATIVE, AND THE ADMINISTRATION'S DEMOCRACY, PEACE, AND DEVELOPMENT INITIATIVE ARE ALL CLOSELY INTEGRATED FOR THE BENEFIT OF DEVELOPMENT GENERALLY AND THE SPECIAL NEEDS OF AFRICA AND CENTRAL AMERICA SPECIFICALLY. WE ARE CONFIDENT OF SUCCESS OF THESE INITIATIVES. THEY ARE NECESSARY TO THE ECONOMIC DEVELOPMENT OF THE POOR OF THE WORLD AND THE NATIONAL INTERESTS OF THE UNITED STATES.

#

Sg... **Noted**

Speaker
the given

REMARKS BY
PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
AFRICA: AN END TO FAMINE
NOTRE DAME UNIVERSITY
JANUARY 29, 1986
(AND)
MINNEAPOLIS WORLD AFFAIRS COUNCIL
JAN. 28 1986

P.M.

THANK YOU. IT'S GOOD TO BE HERE.

I WOULD LIKE TO DISCUSS THE AFRICAN FAMINE;

ITS CAUSES;

THE RESPONSE THE UNITED STATES HAS MADE; AND,

THE MEASURES THAT MUST BE TAKEN TO ~~FORESTALL ITS REPELITION.~~
deal with the situation
Long term.

THE SUFFERING OF THE PEOPLE OF AFRICA --

ESPECIALLY THAT OF THE CHILDREN --

HAS BEEN BEYOND MEASURE.

SEVERAL TIMES DURING THE WORST OF THE EMERGENCY,

I VISITED THE VILLAGES AND FEEDING CAMPS.

I HAVE HEARD THE SILENCE OF STARVATION.

BUT,

I HAVE ALSO HEARD THE CRIES AND LAUGHTER OF CHILDREN

~~GENERALLY~~ BROUGHT BACK FROM THE EDGE OF DEATH

BY THE HELP AND FOOD

PROVIDED BY THE UNITED STATES ~~AND~~

~~THE OTHER DONORS OF THE FREE WORLD.~~

WE CAN BE PROUD --

AND THANKFUL --

THAT U.S. AID SAVED MILLIONS OF LIVES AND

TEMPERED THE WORST EFFECTS OF THE FAMINE.

OUR COUNTRY HAS PROVIDED --

~~THROUGH THE AGENCY FOR INTERNATIONAL DEVELOPMENT~~ ---

MORE THAN THREE MILLION TONS OF FOOD TO AFRICA

WORTH MORE THAN \$1.1 BILLION.

THAT'S EQUAL TO 28 POUNDS OF FOOD FROM EVERY
MAN,
WOMAN AND CHILD IN THE UNITED STATES.

HOWEVER,

THIS GREAT HUMAN SUFFERING AND ~~DEPLETION~~ - which I should say continues -
DRAMATICALLY UNDERLINES THE NEED TO FIND LONG-TERM SOLUTIONS
TO AFRICA'S DEVELOPMENT PROBLEMS.

THE PROBLEM OF ACHIEVING FOOD SELF-RELIANCE IN AFRICA IS COMPLEX.

THERE ARE NO QUICK AND EASY SOLUTIONS.

IT WILL NOT COME AS THE RESULT OF INTERNATIONAL ASSISTANCE ALONE.

IT REQUIRES THE LONG-TERM COMMITMENT AND

DEDICATED EFFORTS OF BOTH THE DONOR NATIONS AND

THE AFRICAN GOVERNMENTS.

I AM CONVINCED THAT SUB-SAHARAN AFRICA

CAN BE SELF-RELIANT IN FOOD.

THE EXPERIENCE OF,

FOR EXAMPLE, INDIA,

IS EVIDENCE THAT NATIONS CAN MOVE FROM RECURRING FAMINE

TO GRAIN SELF-RELIANCE IF CERTAIN STEPS ARE TAKEN.

THEY INCLUDE, FOR EXAMPLE:

~~0 ADOPTING MARKET ORIENTED POLICIES,~~

~~0 LIBERALIZED TRADE,~~

~~0 INVESTING IN THE DEVELOPMENT OF NEW SEED,
TECHNOLOGIES,~~

~~IRRIGATION,~~

~~MARKETING INFRASTRUCTURE,~~

~~TRAINING AND EDUCATION;~~

~~0 AN ASSAULT ON THE SPREAD OF DESERTS; AND,~~

~~0 THE CAPACITY FOR RAPID RESPONSE~~

~~TO LOCAL FOOD SHORTAGES.~~

*only 20 years ago India had a famine more than self-sufficient
now grain self-reliant*

GRAIN

*India was
grain self-reliant
Africa*

~~Handwritten~~ *Parentless*

EFFORTS TO ULTIMATELY ACHIEVE FOOD SELF-RELIANCE FOR AFRICA
MUST REALISTICALLY TAKE INTO ACCOUNT
THE MAGNITUDE OF PROBLEMS UNIQUE TO AFRICA.

THE GROWING GAP BETWEEN POPULATION *on one hand and*
FOOD PRODUCTION AND PRODUCTIVE RESOURCES *on the other*



FOR EXAMPLE:

- O PRICES TO FARMERS HAVE BEEN KEPT ARTIFICIALLY LOW TO SATISFY THE DEMAND FOR CHEAP FOOD BY POLITICALLY POWERFUL URBAN POPULATIONS.
- O INEFFICIENT STATE MARKETING MONOPOLIES HAVE BEEN SLOW TO COLLECT THE CROP OR PAY THE FARMER.
- O COUNTRY-TO-COUNTRY AGRICULTURAL TRADE WITHIN AFRICA HAS BEEN RESTRICTED BY UNREALISTIC EXCHANGE RATES AND SELF-IMPOSED TRADE BARRIERS.

ADDITIONALLY,

A POPULATION GROWTH RATE OF MORE THAN THREE PERCENT IS OUTPACING FOOD PRODUCTION AND PUTTING EXTREME PRESSURE ON MARGINAL LANDS. THIS IS CONTRIBUTING TO THE ADVANCE OF THE DESERT, THE LOSS OF FOREST LANDS, AND THE EROSION OF TOP SOIL.

THE CUMULATIVE EFFECT OF THESE ^{actions} FORCES

HAS ^{created} ~~LARGELY CONTRIBUTED TO~~ FOOD SHORTAGES,

POVERTY AND MALNUTRITION IN THE HOUSEHOLD, AND

RETARDED GROWTH IN ^{of countries} ~~THE GENERAL ECONOMIES OF~~ NATIONS.

IT MUST ALSO BE RECOGNIZED

THAT IMPROVING AGRICULTURAL PRODUCTION IN AFRICA

MAY BE A MORE DIFFICULT TASK

THAN IN SOME OTHER REGIONS OF THE WORLD.

FOR EXAMPLE:

O AFRICA GROWS A WIDE VARIETY OF FOOD AND INDUSTRIAL CROPS

COMPARED TO THE ^{almost} ~~VIRTUALLY~~ SINGLE-CROP ~~IRRIGATED~~ PRODUCTION

OF RICE IN SOUTHEAST ASIA OR

THE WHEAT ^{in India's} ~~OF INDIA'S~~ PUNJAB.

O AFRICAN RAINFALL IS ERRATIC,
THERE IS VERY LITTLE IRRIGATION, AND
SOILS ARE ~~GENERALLY MORE~~ ^{often} FRAGILE.

O THE DEVELOPMENT OF SEED AND OTHER TECHNOLOGIES ADAPTED
TO THESE CONDITIONS ~~IS MORE~~ ^{may be} DIFFICULT AND TIME-CONSUMING.

TO FURTHER COMPLICATE MATTERS:

O FARMERS ARE GENERALLY WIDELY SCATTERED AND
RELY HEAVILY ON MANUAL LABOR
RATHER THAN DRAFT ANIMALS OR MACHINERY;

~~O TRADE BARRIERS RESTRICT THE FLOW OF FOOD ACROSS BORDERS;~~

O THERE IS A LACK OF FARM-TO-MARKET ROADS
WHICH LIMITS DISTRIBUTION AND
SALE OF SURPLUS PRODUCTION.

~~IN ADDITION, ON A LARGER SCALE WE FIND:~~

In addition, we find -9-

O UNRESPONSIVE AGRICULTURAL INSTITUTIONS,
SERVICE DELIVERY AND EXTENSION SYSTEMS, AND
A LIMITED SUPPLY OF SCIENTISTS, MANAGERS AND TECHNICIANS,
~~WHICH COMPRISE ADDED CONSTRAINTS.~~

HOWEVER,

DESPITE THESE AND OTHER DIFFICULTIES,

THE POTENTIAL IS PRESENT FOR ADEQUATE FOOD PRODUCTION

~~PROVIDING THE STEPS I HAVE OUTLINED ARE TAKEN.~~

~~FOR EXAMPLE~~ I should note that

IN YEARS OF GOOD RAINFALL,

AFRICA HAS ACHIEVED NEAR SELF-SUFFICIENCY

IN AGGREGATE, CONTINENT-WIDE PRODUCTION.

THE 1985-86 BUMPER HARVESTS *of certain parts of Africa*

ARE ESTIMATED AT ABOUT 54 MILLION METRIC TONS OF FOOD GRAIN.

THIS IS COMPARED TO AN ESTIMATED TOTAL DEMAND

OF ABOUT 57 MILLION TONS THIS YEAR.

*What you have in large surplus in
certain ^{regions} ~~parts~~ like Kenya, Zimbabwe & western
Sudan*

~~The picture is not~~
hopeless

~~So,~~ I argue tonight that a long term self-reliance program requires the following

~~THE PROSPECTS FOR FOOD SECURITY ARE LARGELY DEPENDENT~~

~~ON THE IMPLEMENTATION OF INCENTIVE POLICIES,~~ ^{proper farm price}

~~THE DEVELOPMENT OF APPROPRIATE TECHNOLOGIES,~~ ^{high yielding crop strains}

THE CREATION OF PRODUCTION AND MARKETING INFRASTRUCTURE;

^{and} THE MANAGEMENT OF ^{African} NATURAL RESOURCES, ^{such as its soils, et trees} AND,

~~ATTENTION TO BALANCING GROWTH~~

~~TO EMERGING RESOURCE DEVELOPMENT.~~

~~BRIEFLY,~~

LET ME TAKE THESE REQUIREMENTS ONE AT A TIME.

POLICY REFORMS OFFER ONE OF THE MOST EFFECTIVE AND QUICKEST WAYS

^{increase production}
~~TO CREATE INCENTIVES FOR AFRICAN FARMERS AND BUSINESSMEN~~

~~TO PRODUCE AND SELL MORE.~~

WE'RE ENCOURAGED ABOUT WHAT IS HAPPENING.

THERE IS A GROWING AWARENESS AND DESIRE AMONG AFRICANS
TO UNDERTAKE NEEDED POLICY REFORMS, ESPECIALLY IN AGRICULTURE.

AID IS PROVIDING SPECIAL ASSISTANCE IN POLICY DESIGN AND

OUR ASSISTANCE PROGRAMS ARE GEARED TO ASSURE SUCH REFORMS ARE MADE.

IN THE PAST FEW YEARS MANY COUNTRIES HAVE BEGUN TO IMPLEMENT
AN IMPRESSIVE ARRAY OF REFORMS.

THESE INCLUDE:

- 0 INCREASING PRICES PAID TO FARMERS FOR THEIR CROPS;
- 0 REFORMING OR TURNING OVER TO THE PRIVATE SECTOR
INEFFICIENT STATE-RUN AGRICULTURAL ENTERPRISES;
- 0 DEVALUING THEIR CURRENCIES AND LIBERALIZING TRADE OR
~~FOREIGN EXCHANGE POLICIES~~ TO STIMULATE EXTERNAL TRADE; AND,
- 0 REDUCING SUBSIDIES ON AGRICULTURAL TOOLS, SEEDS AND
FERTILIZERS.

THE RESULTS OF THESE CHANGES ARE ALREADY BEING FELT.

FOR EXAMPLE:

DRAMATIC INCREASES IN FOOD PRODUCTION HAVE OCCURRED IN MALAWI,

SOMALIA,

UGANDA ^{and} ~~AND~~

ZAMBIA

AS A RESULT OF INCREASED PRICES PAID TO FARMERS AND

GREATER RELIANCE ON THE FREE MARKET.

TO BE SPECIFIC,

IN 1981,

MALAWI INCREASED PRICES PAID TO FARMERS FOR ^{Corn} ~~MAIZE~~ BY 55%.

WITHIN A YEAR, ^{Corn} ~~MARKETED MAIZE~~ PRODUCTION DOUBLED.

~~BY THE 1983 HARVEST.~~

~~MALAWI HAD ACCUMULATED A SUBSTANTIAL MAIZE SURPLUS FOR EXPORT.~~

(PAUSE)

rest
AGRICULTURAL RESEARCH DESERVES HIGH PRIORITY.

is providing support
stay there -
THE U.S. AND OTHER DONORS MUST CONTINUE AND INCREASE SUPPORT
about 75 million a year
OF THE INTERNATIONAL AGRICULTURAL RESEARCH CENTERS AND

~~AFRICAN AGRICULTURAL RESEARCH PROGRAMS.~~

om
~~THEIR~~ EFFORTS ~~MUST~~ *will* BE FOCUSED ON SELECTED COUNTRIES,

CROPS AND

ANIMAL PRODUCTION PROBLEMS

WHERE THE GREATEST PAYOFF IN RESULTS CAN BE EXPECTED.

~~THE CAPABILITIES OF THE PRIVATE SECTOR AND~~

~~AMERICAN UNIVERSITIES~~

~~MUST BE CONCENTRATED ON THE APPLICATION OF NEW TECHNOLOGIES~~

~~SPECIFICALLY FOR AFRICA.~~

~~THE U.S. AND OTHER DONORS~~

~~MUST SUPPORT THE CREATION OF RESEARCH NETWORKS~~

~~AMONG INSTITUTIONS WORKING ON COMMON PRIORITY PROBLEMS.~~

I shall point out

AFRICAN GOVERNMENTS MUST PROVIDE ~~STRONGER~~ ^{more} SUPPORT

FOR AGRICULTURAL RESEARCH.

~~AND~~

~~AFRICAN AGRICULTURAL UNIVERSITIES MUST BE STRENGTHENED AND~~

~~RESEARCH INCLUDED AS PART OF THEIR PROGRAMS.~~

See below some green sorghum
SORGHUM,

A MAJOR AFRICAN CEREAL CROP, *— John Seed*

DEMONSTRATES THE POTENTIAL PAYOFF WE CAN EXPECT

FROM AGRICULTURAL RESEARCH.

A NEW DROUGHT TOLERANT HYBRID SORGHUM HAS BEEN DEVELOPED IN SUDAN.

FIELD TRIALS HAVE PRODUCED UP TO ^{four} ~~THREE~~ TIMES THE YIELD

OF THE ~~BEST LOCAL VARIETIES~~ *of traditional varieties.*

A NEW WHITE CORN VARIETY DEVELOPED IN NIGERIA

HAS GENERATED YIELDS NINE TIMES GREATER THAN OTHER CORN STRAINS.

THIS WAS DONE DESPITE DROUGHT CONDITIONS AND

A SEVERE OUTBREAK OF A ^{Corn} ~~MAIZE~~ VIRUS.

IMPROVED VARIETIES OF CASSAVA --

A ROOT CROP WHICH CURRENTLY PROVIDES HALF THE CALORIE INTAKE

FOR OVER 200 MILLION AFRICANS --

HAVE OUTYIELDED LOCAL STRAINS BY 200 TO 1,800 PERCENT.

THESE ARE ONLY A FEW EXAMPLES.

BUT THEY ILLUSTRATE THE IMMENSE POTENTIAL OF NEW SEED STRAINS

DESIGNED FOR AFRICA'S WIDELY VARYING CLIMATE,

SOILS, AND PLANT DISEASES.

THE AVAILABILITY OF WATER AND THE FREQUENCY OF RAINFALL
IS ALWAYS A MAJOR CONSIDERATION IN IMPROVED CROP PRODUCTION.
AFRICA HAS LESS THAN TWO PERCENT OF CULTIVATED LAND
UNDER IRRIGATION.

IRRIGATION DEVELOPMENT HAS PROVED DIFFICULT AND COSTLY.
BUT THERE IS CONSIDERABLE UNTAPPED POTENTIAL FOR IRRIGATION
THAT COULD SIGNIFICANTLY REDUCE THE THREAT OF RECURRING DROUGHT.
IT NEEDS TO BE HARNESSSED,

BUT IN WAYS THAT ARE COST-EFFECTIVE AND
BENEFICIAL TO THE SMALL-SCALE FARMER.

power to market roads ~~created~~ created
is (PAUSE)

BETTER MANAGEMENT OF AFRICA'S NATURAL RESOURCES IS VITAL.
THE ADVANCE OF THE DESERT,
THE DESTRUCTION OF FORESTS, AND
THE DEPLETION OF SOILS ARE WORKING TO UNDERMINE
AGRICULTURAL PRODUCTION AND ~~INCREASE THE INCIDENCE OF DROUGHT.~~

IT IS CAUSED MAINLY BY MISUSE OR OVERUSE OF LAND
BY PEOPLE AND LIVESTOCK.

IT IS AGGRAVATED BY RAPID POPULATION GROWTH
THAT DEPLETES PRODUCTIVE LAND AND
PUSHES PEOPLE INTO MARGINAL LANDS.

THIS PROCESS, KNOWN AS 'DESERTIFICATION',
IS PRIMARILY MAN-MADE.

AND,

BECAUSE IT IS MAN-MADE,

IT CAN ALSO BE HALTED OR REVERSED BY HUMAN INTERVENTION.

AID is only getting in the area.

(PAUSE)

POPULATION GROWTH RATES ARE A ^{important} ~~CRITICAL~~ FACTOR

IN THE AFRICAN FOOD DEVELOPMENT EQUATION.

MANY LEADERS OF AFRICAN COUNTRIES ARE BECOMING INCREASINGLY AWARE
OF THE CONSEQUENCES OF CONTINUED GROWTH AT CURRENT RATES.

DEMANDS FOR AID ASSISTANCE ARE GROWING, AND
WE ARE NOW SUPPORTING VOLUNTARY FAMILY PLANNING ACTIVITIES
IN 40 AFRICAN COUNTRIES.

(PAUSE)

~~Let me say a little more about
IN VIEW OF ALL THESE NEEDS, IT IS REASONABLE TO ASK,~~

"WHAT IS THE UNITED STATES,

~~THROUGH OUR AGENCY FOR INTERNATIONAL DEVELOPMENT~~

~~DOING TO HELP FIND SOLUTIONS?"~~

Overall the US is
~~WE'RE~~ DOING A GREAT DEAL.

To open.
AID NOW PROVIDES OVER \$1 BILLION A YEAR ~~IN~~ REGULAR, BILATERAL
~~ASSISTANCE TO 38 SUB SAHARAN COUNTRIES.~~

a 50% increase since 1981,
THIS REPRESENTS A ~~FIVEFOLD INCREASE IN AID LEVELS SINCE 1974.~~

THIS IS IN ADDITION TO EMERGENCY FAMINE RELIEF COSTS.

In closing

CLEARLY,

THERE IS HOPE FOR PROGRESS IN AFRICA.

AMERICA'S SCIENTIFIC AND TECHNICAL EXPERTISE

IS FINDING SOLUTIONS TO PROBLEMS

THAT PREVIOUSLY WERE CONSIDERED INSURMOUNTABLE.

ECONOMIC REFORMS ARE BEING DESIGNED AND IMPLEMENTED.

INSTITUTIONS ARE BEING BUILT OR STRENGTHENED.

INCREASING FOOD PRODUCTION IN AFRICA --

AS WELL AS MORE EVEN DISTRIBUTION OF WHAT IS GROWN --

IS GOING TO TAKE TIME AND HARD WORK

BY DONOR NATIONS AND

ESPECIALLY,

THE AFRICAN COUNTRIES THEMSELVES.

IT'S GOING TO REQUIRE THE ACTIVE SUPPORT OF PEOPLE LIKE YOU.

It will take several years ~~to do~~ to do
BUT IT CAN HAPPEN,

IF THE WORLD WORKS TOGETHER TO MAKE IT HAPPEN.

THANK YOU.

3131G

REMARKS BY
PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
AGRICULTURE COUNCIL OF AMERICA
THE WHITE HOUSE, 10:00 A.M., SEPTEMBER 10, 1986

UNITED STATES FOREIGN ASSISTANCE

IS BOTH PRACTICAL AND HUMANITARIAN IN NATURE.

UNFORTUNATELY,

LIKE SO MANY GOOD SAMARITANS IN TODAY'S WORLD

THE "GOOD" IS OBSCURED BY MISTRUST AND MISUNDERSTANDING.

FACT:

U.S. FOREIGN ASSISTANCE HELPS, NOT HARMS

AMERICAN AGRICULTURAL EXPORTS.

ON THE SURFACE MANY WOULD DISAGREE WITH THAT ASSESSMENT.

HOWEVER, THIS IS NOT BASED ON A DETAILED EXAMINATION OF THE ISSUE.

RATHER,

IT IS BASED ON THE VERY HUMAN INCLINATION

TO FIX BLAME RAPIDLY AND BLAME THE OBVIOUS.

IN THIS CASE,

THE OBVIOUS IS U.S. FOREIGN ASSISTANCE.

NO ONE DENIES THERE IS A SERIOUS PROBLEM:

- WHEN THERE IS A WORLDWIDE SLOWDOWN IN ECONOMIC GROWTH
- WHEN THE SOVIET BLOC IMPORTS LESS,
- WHEN DEVELOPING COUNTRIES HAVE TO DEVOTE
A HIGH PROPORTION OF THEIR FOREIGN EXCHANGE
TO PAYING PRINCIPLE AND INTEREST ON DEBT.
- WHEN THE EEC AND CHINA INCREASE PRODUCTION AND COMPETITION,
THE FARMER SUFFERS.

INDEED, THE ENTIRE AGRICULTURAL COMMUNITY SUFFERS.

THE WORLD IMPORT MARKET IS CHANGING.

OUR TRADITIONAL MARKETS

IN THE INDUSTRIALIZED COUNTRIES HAVE DECLINED

AND

ARE NOT EXPECTED TO GROW SIGNIFICANTLY.

DEVELOPING COUNTRIES HAVE REPLACED INDUSTRIALIZED COUNTRIES

AS OUR FATEST GROWING MARKETS.

IN 1983,

THEY RECEIVED 50 PERCENT OF U. S. GRAIN AND FEED EXPORTS.

NO ONE HERE CAN FAIL TO BE AWARE
OF THE BURGEONING POPULATION IN THE DEVELOPING WORLD.
THE NUMBER OF PEOPLE WHO GO TO BED HUNGRY
IS ESTIMATED TO RANGE FROM ONE-HALF TO ONE BILLION.

BETWEEN NOW AND THE YEAR 2000
ANOTHER 1.2 BILLION PEOPLE
WILL BE ADDED TO THE POPULATION OF THE DEVELOPING WORLD.
THE DEVELOPING WORLD HAS A NEED,
YOU HAVE A PRODUCT
AND
THE VITAL LINK IS INCOME.

YOU DON'T NEED A DEGREE FROM THE WHARTON SCHOOL OF FINANCE
TO NOTE THE OBVIOUS AXIOM.
HIGH RATES OF ECONOMIC GROWTH IN DEVELOPING COUNTRIES
HELP U.S. FARMERS.

LOW RATES HURT U.S. FARMERS.

MIDDLE INCOME COUNTRIES

ARE THE GROWING IMPORTERS OF OUR PRODUCTS.

LOW INCOME COUNTRIES GENERALLY CANNOT AFFORD THEM.

A.I.D. ASSISTANCE OFTEN ZEROS IN ON AGRICULTURAL DEVELOPMENT

IN AN ATTEMPT TO MOVE COUNTRIES

FROM THE LOW TO MIDDLE INCOME BRACKET

AND HEREIN IS THE CAUSE OF SOME DIFFICULTY.

IN THE PROCESS,

THESE COUNTRIES MAY BECOME EXPORTERS

OF CERTAIN AGRICULTURAL COMODITIES.

NO ONE CAN DISAGREE WITH THE ECONOMIC REALITY

THAT THEY MUST EXPORT SOMETHING

TO OBTAIN THE VALUABLE EXCHANGE NECESSARY

TO BUY OUR PRODUCTS.

FACT:

THESE COUNTRIES BECOME NET AGRICULTURAL IMPORTERS.

THERE ARE FEW IF ANY AREAS IN THE MARKET PLACE
WHERE DEVELOPING A PROFITABLE ARRANGEMENT
DOES NOT INVOLVE BOTH BUYING AND SELLING.

IF A LOW INCOME COUNTRY IS TO BUY,
IT MUST SELL -- SOMETHING.

IF IT BUYS MORE CORN, SOYBEANS, WHEAT AND
OTHER MAJOR U.S. COMMODITIES THAN IT SELLS,
THEN WE ARE HAPPY.

A FEW EXAMPLES

WITH OVERWHELMING EMPIRICAL EVIDENCE OF OUR SUCCESS ARE:

TAIWAN, MALAYSIA,

SOUTH KOREA AND BRAZIL.

MIDDLE INCOME COUNTRIES ARE THE MAJOR AGRICULTURAL IMPORTERS.

STUDIES DEMONSTRATE THAT

AS LOW INCOME COUNTRIES INCREASE THEIR OWN FOOD PRODUCTION,

THEIR DEMAND FOR FOOD GROWS EVEN MORE RAPIDLY.

THE GAP MUST BE FILLED AND

THAT REPRESENTS A GROWING MARKET FOR OUR COMMODITIES.

FACT:

THERE IS NO STRONG EVIDENCE THAT U.S. FOREIGN ASSISTANCE
HAS GENERALLY HARMED THE AMERICAN FARMER.

OUR FARMERS OFTEN GROW SEVERAL COMMODITIES.

IT IS TRUE THAT SOME PRODUCERS OF CERTAIN COMMODITIES

FACE TRANSITIONAL PROBLEMS

AS PRODUCTION SYSTEM AND MARKETS

ADJUST TO CHANGES IN COMPARATIVE ADVANTAGE.

LET'S FACE IT,

MANY LOW INCOME COUNTRIES IN THE WORLD AND
EVEN REGIONS WITHIN MIDDLE INCOME COUNTRIES
ARE GOING TO HAVE SLOW ECONOMIC GROWTH AND
LOW PER CAPITA INCOMES FOR MANY YEARS TO COME.

A MAJOR PURPOSE OF A.I.D.'S EFFORT

IS TO RAISE THE PRODUCTIVITY AND INCOMES

OF THE POOR IN THESE COUNTRIES WHO,

AT THIS TIME

DON'T HAVE THE RESOURCES TO PRODUCE OR PURCHASE FOOD

FOR THEIR FAMILIES.

UNFORTUNATELY,

THIS GROUP INCLUDES NEAR SUBSISTANCE LEVEL FARMERS

WHO HAVE FEW ECONOMIC ALTERNATIVES OUTSIDE OF AGRICULTURE.

THESE MEN AND WOMEN ARE NOT OUR COMPETITORS.

ON THE HILLSIDES OF LATIN AMERICA,

LARGE NUMBERS OF UNDERFED PEOPLE CAN BARELY SUSTAIN THEMSELVES.

IN THE DESERTS OF AFRICA

PRODUCTION OF FOOD IS DECLINING

AS THE GROWTH

IN POPULATION, DROUGHT AND

THE OMINOUS THREAT OF A VAST LOCUST PLAGUE

LOOMS DESTRUCTIVELY ON THE HORIZON.

A.I.D. ASSISTANCE IS GEARED TO PROVIDE BASIC HUMAN SUSTENANCE

WHICH WE CALL FOOD SECURITY.

WE DEFINE THIS

AS THE ABILITY OF A COUNTRY

TO ASSURE A NUTRITIONALLY ADEQUATE FOOD SUPPLY

ON A CONTINUAL BASIS.

WE HOPE TO ACCOMPLISH THIS THROUGH A COMBINATION OF INCREASED
DOMESTIC PRODUCTION AND
INCREASED COMMERCIAL IMPORTS OF FOOD
PURCHASED WITH FOREIGN EXCHANGE EARNINGS.

FACT:

WE LOOK WITH A JEWELER'S EYE
INTO WHAT A COUNTRY CAN GROW MOST EFFICIENTLY.
WE CAREFULLY TRY TO AVOID SUPPORTING THE PRODUCTION OF COMMODITIES
THAT WOULD SIGNIFICANTLY COMPETE WITH OUR OWN.

THE BOTTOM LINE IS THIS:

IF WE ARE TO INCREASE AMERICAN EXPORTS OF COMMODITIES --
AGRICULTURE, CHEMICAL AND MACHINERY

AND

IF WE ARE GOING TO ACHIEVE FOOD SECURITY
DEVELOPING COUNTRIES MUST GROW MORE RAPIDLY.

OUR FOREIGN ASSISTANCE IS NECESSARY
SO THAT THESE COUNTRIES CAN INCREASE THEIR IMPORTS
AND,
PARADOXICALLY,
WE MUST DO THIS
BY HELPING THEM INCREASE THEIR AGRICULTURAL PRODUCTION.
SHOULD WE FAIL
WE WILL LOSE THEIR TRADE,
AND WE WILL LOSE THEM AS ALLIES.
FURTHERMORE,
IT IS IMPORTANT TO CONSIDER THAT
OUR DECLINING ROLE IN GLOBAL AGRICULTURAL DEVELOPMENT
WILL CAUSE SETBACKS IN OUR ACCESS
TO VITAL SCIENTIFIC KNOWLEDGE RELATED TO OUR OWN FARMLANDS.

BEING THE GOOD SAMARITAN IN THE MODERN WORLD

DICTATES THAT WE SHUN THE EASY SOLUTION.

THAT WE SEARCH FOR THE DELICATE BALANCE

THAT ALLOWS US TO HELP OURSELVES THROUGH HELPING OTHERS.

OUR JOB IS CLEAR:

AT A.I.D. WE MUST AND WILL

JOIN HANDS WITH THE HEARTLAND OF AMERICA,

FOR YOU WHO NURTURE US CAN NURTURE THE WORLD.

THE FOREIGN POLICY OF THE UNITED STATES

MUST PROVIDE FOR HELPING OURSELVES WHEN WE HELP OTHERS

BUT

NOT AT THE EXPENSE OF OUR OWN.

OUR COMMITMENT IS TO YOU AND

WILL BE TO YOU IN THE FUTURE.

A.I.D. IS MORE THAN A GOOD SAMARITAN,

IT IS A GOOD AND UNDERSTANDING FRIEND.

~~PETER McPHERSON~~
~~NATIONAL PRESS CLUB~~
~~WASHINGTON, D.C.~~
~~NOVEMBER 12, 1986~~

~~THANK YOU MARY KAY.~~

~~IT'S A PLEASURE TO BE HERE.~~

THIS IS, I AM PROUD TO SAY,

THE TWENTH-FIFTH ANNIVERSARY

OF AMERICA'S FOREIGN AID PROGRAM.

I WOULD SUBMIT THAT IT REMAINS

THE MOST UNDERESTIMATED--

YET ONE OF THE MOST SUCCESSFUL--PROGRAMS

OUR GOVERNMENT HAS EVER CREATED.

NO OTHER PROGRAM RIVALS AID'S GLOBAL ACCOMPLISHMENTS

IN ITS FIRST 25 YEARS,

~~TWENTY-FIVE YEARS HAVE GIVEN US CONFIDENCE IN PEOPLE~~

~~IN LESS DEVELOPED COUNTRIES AND~~

~~IN OUR ABILITY TO HELP THEM~~

~~SOLVE THEIR OWN PROBLEMS AND LIVE BETTER LIVES.~~

Thank you "Many Faces" - 2 -

~~I want to thank you for the work you have done~~

~~I want to thank you for the work you have done~~
~~YOU HAVE HELPED:~~

you, the members for our work together on the African drought

THERE'S AN AFRICAN PROVERB THAT SAYS,

"FOR NEWS OF THE HEART, ASK THE FACE."

~~THE MEDIA -~~

~~THAT'S YOU, OR AT LEAST MANY OF YOU -~~

You
BROUGHT US MILLIONS OF AFRICAN FACES LAST YEAR.

AND, THANK GOD YOU DID.

WITHOUT YOUR COVERAGE,

THE CONSCIENCE OF THE WESTERN WORLD

MIGHT NOT HAVE BEEN STIRRED.

THROUGH YOUR COVERAGE,

WE SAW THE HEARTBREAK OF HUNGER.

~~AS A RESULT OF YOUR COVERAGE,~~

and
AMERICANS RESPONDED GENEROUSLY TO A CONTINENT IN NEED.

talk history
ALLOW ME TO ~~PLAY HISTORY PROFESSOR~~ FOR A MINUTE
AND TELL YOU HOW A.I.D. GOT ITS START.

A.I.D. WAS CREATED IN 1961

~~TO BE AN INTEGRAL FOREIGN POLICY TOOL.~~

~~IT WAS CREATED TO DO SOMETHING
THAT WAS REVOLUTIONARY AT THE TIME--
TO SEND
SEND ECONOMIC AID
TO THE POOREST AREAS OF THE WORLD.~~

Its
~~A.I.D.'s~~ PURPOSE:

TO SAVE LIVES AND TO HELP BUILD STRONGER ECONOMIES.

SECRETARY OF STATE DEAN RUSK WAS CLEAR ON A.I.D.'S OBJECTIVES.

IT WAS, HE ~~REMINDED~~ *ful* CONGRESS,

~~TO BUILD FRONTIERS OF FREEDOM THROUGHOUT THE WORLD.~~

unfortunately
~~now~~

Most
ALL ~~MANY~~ PEOPLE KNOW ABOUT FOREIGN AID IS-- that

THEY DON'T LIKE IT.

THEY THINK IT'S A WASTEFUL GIVE-AWAY

THAT CAN'T EVEN BUY GRATITUDE.

THE TRUTH IS JUST THE OPPOSITE.

FOREIGN AID WORKS!

THE PROBLEM IS THAT NOT ENOUGH AMERICANS

KNOW IT WORKS. AND THEY AREN'T GOING TO ~~ENJOY~~ ^{support} A PROGRAM

THEY DON'T KNOW MUCH ABOUT,

PARTICULARLY WHEN BUDGETS ARE TIGHT.

AS YOU KNOW, SHRINKING BUDGETS

ARE FORCING CRITICAL CHOICES

AMONG IMPORTANT DOMESTIC AND INTERNATIONAL PROGRAMS.

PRESIDENT REAGAN'S OBJECTIVE HAS BEEN
TO SEE THAT THESE BUDGET CUTS DO NOT STOP
THE ECONOMIC AND INDIVIDUAL ADVANCES
IN DEVELOPING NATIONS DEAD IN THEIR TRACKS.

MY OWN FEAR IS

~~the~~ Congress will ~~not~~ continue to
THAT WE MAY PULL OUT OUR STOCK
cut ~~off~~ foreign ~~aid~~ and
IN ECONOMIC AID

Just at a time when we have gone so far and
JUST BEFORE IT'S ABOUT TO SOAR THROUGH THE ROOF.

can do so much more.

~~AND~~ such cuts
would be done
THAT ~~they~~ OCCUR FOR REASONS THAT SIMPLY ARE NOT VALID.

THE FACT IS,

UNITED STATES FOREIGN ASSISTANCE IS NOT A HANDOUT.

IT IS A WELL THOUGHT OUT PLAN

TO PROMOTE PEACE AND STABILITY.

Moncouth

~~AND~~ FOREIGN AID DOES NOT PUT OUR OWN ECONOMY IN JEOPARDY.

IN FACT,

IT RESULTS IN THE DEVELOPMENT OF NEW TRADING OPPORTUNITIES
FOR AMERICAN BUSINESS.

DEVELOPMENT OF THE THIRD WORLD IS AN INVESTMENT
WHICH BENEFITS BOTH AMERICANS AND

THE PEOPLE OF DEVELOPING COUNTRIES!

IT IS NOT A ZERO SUM SITUATION,

WHERE WE LOSE AND THE THIRD WORLD GAINS.

FOREIGN AID HAS A HISTORY

OF HELPING BOTH THE GIVER AND THE RECEIVER.

THE PREDECESSOR OF OUR FOREIGN AID PROGRAM

WAS THE MARSHALL PLAN,

WHICH PUT EUROPE BACK ON ITS FEET AFTER THE SECOND WORLD WAR.

THE PLAN LEFT AMERICANS FEELING PROUD ABOUT THEMSELVES AND

left
EUROPE, ~~AS~~ A WORKING ~~AS AN~~ ECONOMIC UNIT,

A TRADING PARTNER, AND A STRATEGIC ALLY.

MORE RECENTLY, ~~THE~~ THE GREEN REVOLUTION IN INDIA *was*

akin to
~~AS THE EQUIVALENT OF~~ THE MARSHALL PLAN IN EUROPE.

FRANKLY,

20 years after India had a famine of historic proportions
WITHOUT THE MIRACLE ~~RICE AND WHEAT~~ *varieties* ~~VARIETIES~~ *in several people affected the crop this last year.*

Perjury
DEVELOPED AND PROVIDED TO INDIA, *with AID help; since the* ~~with the aid of the U.S. government.~~

THE SUBCONTINENT WOULD *probably* STILL FACE GREAT STARVATION; ~~IT WOULD~~

Instead it is roughly self-sufficient in grain products
~~NOT ENGAGE IN MUCH TRADE WITH THE U.S.;~~

without the Green Revolution India
~~AND IT WOULD SURELY BE LESS STABLE and quick likely not a democracy. With that type of India, her effect AND MIGHT HAVE BEEN DRAWN MORE CLOSELY TO THE SOVIET UNION.~~

Asia would be Italy.

countries
Brazil, Korea and many other ~~countries~~

~~MANY COUNTRIES~~ PREVIOUSLY CLASSIFIED AS "LESS DEVELOPED",

ARE NOW "NEWLY INDUSTRIALIZED." ~~These countries are~~

~~EAST ASIA AND MOST OF SOUTHEAST ASIA AND LATIN AMERICA~~

~~FALL INTO THIS LATTER CATEGORY. SO DO SOUTH KOREA AND BRAZIL.~~

THEY WERE LARGE AID RECIPIENTS IN THE PAST,

~~but now have to much help, we can't give them people~~
BUT ARE NOW IN POSITIONS THEMSELVES

ad on part of a more stable world.

TO ASSIST THE LESS DEVELOPED.

No doubt the NSCs ~~must~~ must now accept more international

KOREA IS ALSO AN IMPORTANT MARKET

FOR ~~AMERICAN EXPORTS.~~ ^{an important point}

~~By the way, many of these countries have been good markets for our agr. exports~~

IN FACT, IN 1981,

KOREA BOUGHT MORE FOOD FROM THE UNITED STATES

THAN WE HAD GIVEN THEM IN 24 YEARS

OF FOOD FOR PEACE SHIPMENTS.

MEXICO,

WHICH RECEIVED \$78 MILLION IN ASSISTANCE FROM US,

BOUGHT \$1.7 BILLION WORTH OF PRODUCTS IN 1983 ALONE.

economic responsibility
commensurate with their
maturity and ~~the~~ ^{on}
with their
discussing or something
prospective ~~of~~

But the point is that
~~the~~ the world is safer
and better because these
countries are not
~~the~~ the
"hell hole of misery"
Haven't we called in
the 50s.

TO REALLY APPRECIATE

WHAT HAS HAPPENED IN THE LAST 25 YEARS

WE NEED TO BE REMINDED

OF WHAT THE DEVELOPED WORLD WAS LIKE BEFORE A.I.D.

- 1 OUT OF 4 CHILDREN DIED BEFORE THE AGE OF FIVE;
- ONLY A SMALL MINORITY OF CHILDREN ATTENDED SCHOOL;
- ~~THE INDIAN SUBCONTINENT FACED MASSIVE STARVATION;~~
- ^{most} PARENTS COULD NOT CHOOSE THE SIZE OF THEIR FAMILIES;
- LIFE EXPECTANCY AVERAGED ABOUT 40 YEARS OF AGE.

OVER THE PAST 25 YEARS,

AMERICAN FOREIGN AID HAS PLAYED A MAJOR ROLE

IN CHANGING THESE CONDITIONS.

- CHILD MORTALITY HAS BEEN REDUCED BY ONE HALF;
- SMALL POX HAS BEEN ELIMINATED FROM THE WORLD;
- THE MAJORITY OF CHILDREN IN DEVELOPING COUNTRIES ENTER
PRIMARY SCHOOL;
- SAFE AND EFFECTIVE FAMILY PLANNING METHODS ARE AVAILABLE;
- LIFE EXPECTANCY HAS INCREASED 10 TO 20 YEARS IN THE THIRD
WORLD;

- ~~INDIA IS SELF RELIANT IN GRAINS~~ -

AND

THE GREEN REVOLUTION HAS BEGUN IN AFRICA;

UNDER THIS ADMINISTRATION, DURING THE PAST SIX YEARS,

THERE HAS BEEN SOME DRAMATIC PROGRESS.

--A NEW VACCINE AGAINST ^{a most serious} MALARIA, ~~OF WHICH THERE ARE 200 MILLION~~
~~CASES PER YEAR,~~ HAS BEEN DEVELOPED AND FIELD TRIALS ARE NOW

BEGINNING.

*This is important because
 There are about 200 million cases of malaria in a year
 in the world and the problem is getting worse.*

--AID IS SUPPORTING DISTRIBUTION OF ORAL REHYDRATION THERAPY

TO PREVENT DIARRHEAL DISEASES --

DISEASES WHICH KILL 5 MILLION CHILDREN UNDER AGE FIVE EACH YEAR.

(~~EGYPT STORY~~)

8

--A.I.D. PLAYED THE LEAD ROLE IN COMBATING FAMINE IN AFRICA.
AMERICA ORGANIZED ONE OF THE GREATEST EFFORTS
EVER UNDERTAKEN BY A SINGLE COUNTRY,
PROVIDING OVER THERE MILLION TONS OF FOOD AND OTHER EMERGENCY
SUPPLIES TO AFRICA IN 1985.

now

--A ~~SATELLITE~~ EARLY WARNING SYSTEM IS IN PLACE

TO MONITOR AFRICAN COUNTRIES FOR SIGNS OF DROUGHT *is now*

--TWO YEARS AGO IN BANGLADESH ANOTHER ~~EARLY WARNING~~ *forecasting* SYSTEM

WARNED THE PEOPLE OF A TYPHOON

AND SAVED *over 100,000 lives.* ~~A MILLION LIVES.~~

ALSO,

A.I.D. HAS BEEN ON THE CUTTING EDGE

OF ECONOMIC POLICY REFORMS *in Africa and elsewhere*

~~THAT MOTIVATE PEOPLE TO INVEST THEIR ENERGIES~~

~~AS WELL AS THEIR CAPITAL.~~

THESE PAST TWENTY-FIVE YEARS

HAVE TAUGHT US MUCH ABOUT WHAT WORKS AND

WHAT DOESN'T WORK IN PROMOTING ECONOMIC DEVELOPMENT.

O WE HAVE LEARNED THAT SIMPLY GIVING MONEY *unconditionally* ~~AWAY~~

DOES NOT WORK.

WE HAVE LEARNED THAT FOREIGN ASSISTANCE

CAN ONLY SUCCEED

WHERE THERE ARE GROWTH ORIENTED *economic* POLICIES

COUPLED WITH SUSTAINED POLITICAL COMMITMENT

of the developing countries
~~BY GOVERNMENTS IN RECIPIENT COUNTRIES.~~

● WE HAVE LEARNED THAT INDIVIDUALS,

FAMILIES AND COMMUNITIES WANT TO IMPROVE THEIR LIVES AND

CONTROL THEIR DESTINIES. ~~They are not simply moved in age and~~
~~and that~~ People are willing to change how they do things
for the better.

● WE HAVE LEARNED THAT INDIVIDUALS WILL RESPOND

WHEN THERE ARE ECONOMIC INCENTIVES

FOR THEIR WORK AND PRODUCTIVITY.

For example, Farmers will accept grain money if the government will allow them to be paid more

FAMILIES WILL RESPOND

WHEN THEY ARE ABLE TO PROVIDE FOR ALL THEIR MEMBERS--

TO ENSURE THE HEALTH AND EDUCATION OF THEIR CHILDREN.

*Why should we be surprised that poor people will repair
their children's schools.*

COMMUNITIES WILL RESPOND —

WHEN THEY KNOW THAT BY ACTING TOGETHER —

THEY CAN HAVE RESPONSIBILITY

FOR IMPROVING THEIR OWN ENVIRONMENT.

THE SUCCESS OF A.I.D. IN THE NEXT 25 YEARS
DEPENDS ON HOW WELL WE BLEND
WHAT WE HAVE LEARNED FROM THE PAST
WITH WHAT WE ARE FINDING OUT ABOUT THE FUTURE.

WE KNOW THAT THERE ARE ECONOMIC PROBLEMS IN THE WORLD TODAY
WHOSE SOLUTIONS REQUIRE FAR MORE THAN FOREIGN AID TO SOLVE.

THERE ARE THREE CENTRAL PROBLEM AREAS

WHICH NEED TO BE ADDRESSED,

AND ADDRESSED THROUGH A COMPREHENSIVE STRATEGY

WHICH INCLUDES AID, TRADE, FINANCE AND

SECURITY-RELATED POLICIES.

A.I.D. CANNOT SOLVE THESE PROBLEMS, ITSELF.

BUT THEY ARE REALITIES OF THE WORLD

IN WHICH WE MUST WORK.

THE FIRST PROBLEM IS THE WORLD TRADE SYSTEM.

EXPORT MARKETS FOR TRADITIONAL COMMODITIES ARE SHRINKING.

~~Map~~
MINERAL RAW MATERIALS

ARE BEING REPLACED BY SYNTHETICS

OR BEING OVERTAKEN BY NEW TECHNOLOGIES.

AGRICULTURAL COMMODITIES, SUCH AS SUGAR AND RICE,

FACE HIGHLY PROTECTED MARKETS ABROAD AND

COMPETING EXPORT SUBSIDIES.

THE SECOND PROBLEM IS IN THE AREA OF CAPITAL MARKETS.

LET ME EXPLAIN.

PRIVATE SECTOR INCENTIVES AND

INDIVIDUAL MOTIVATION NEED

A FUNCTIONING BANKING SECTOR AT THE NATIONAL LEVEL

IN ORDER TO FLOURISH.

ALL I CAN SAY

AFTER SEEING THE BANKING STRUCTURES
OF MANY LESSER DEVELOPED NATIONS IS
DON'T COMPLAIN

IF YOU CAN'T GET MONEY FROM THE MONEY MACHINE.

THERE ARE SOME BIG PROBLEMS. *in the 3rd world*

THE ~~OUTFLOW~~ OUTFLOW OF NATIONAL SAVINGS ~~RIGHT NOW~~
NEEDS TO BE CONTAINED.

AND THE ~~COMPLETED~~ FOREIGN DEBT

FROM PAST MISGUIDED POLICIES

HAS TO BE RESTRUCTURED *in some countries*
in connection with better
economic policies

THE THIRD PROBLEM HAS TO DO WITH POLITICAL INSTABILITY.

POLITICAL INSTABILITY MUST BE OVERCOME

IF FOREIGN AID IS TO BE SUCCESSFUL.

WE NEED TO COORDINATE OUR VARIOUS RESOURCES

AND POLICY INSTRUMENTS.

WE NEED TO ~~BETTER~~ USE OUR MORAL POSITION
AS THE WORLD'S GREATEST DEMOCRACY
TO ASSIST THE FORCES OF POLITICAL MODERATION
AND DEMOCRATIC CHANGE IN DEVELOPING COUNTRIES.

SO THESE ARE SOME OF THE PROBLEMS.

BUT THERE ARE MANY BRIGHT SPOTS

THAT WILL HELP US GREATLY ACCELERATE

THE PACE OF DEVELOPMENT IN THE THIRD WORLD

ARE TRANSFORMING VIRTUALLY ALL SECTORS OF LIFE,
INCLUDING MANUFACTURING, COMMERCE,
AGRICULTURE AND HEALTH.

° SECOND,

A COMMUNICATIONS REVOLUTION IS GOING ON.

IT IS OPENING UP TRADITIONAL SOCIETIES

AT A BREATHTAKING PACE,

THROUGH TRANSISTOR RADIOS AND TELEVISION.

ONE EXAMPLE OF THE COMMUNICATION REVOLUTION

IS A POP RECORD

PRODUCED BY AID AND JOHNS HOPKINS UNIVERSITY

THAT MARKETS A MESSAGE OF SEXUAL RESPONSIBILITY.

THESE SONGS ARE SUNG BY THE MEXICAN TEENAGE IDOLS

~~TATIANA AND JOHNNY~~, AND TWO SONGS

REACHED THE TOP OF THE CHARTS IN LATIN AMERICA.

a few
~~20~~ YEARS AGO ALMOST NO ONE HAD A TV.

today
IT IS RAISING ASPIRATIONS, TEACHING SKILLS, AND

MANDATING A MORE PARTICIPATORY POLITICAL PROCESS.

- THIRD.

THERE IS A WIDE-SPREAD RECOGNITION

OF THE IMPORTANCE OF MARKET-ORIENTED ECONOMIES

AS THE BEST MEANS OF PROMOTING ECONOMIC GROWTH.

WITHIN THIS NEW ATMOSPHERE

IT WILL BE MUCH EASIER

FOR AID TO SUPPORT MARKET-DRIVEN AGRICULTURAL PRODUCTIVITY *and*

THE GROWTH OF OFF-FARM INDUSTRIES. ~~and~~

~~EXPANDED EXPORTS, AND THE ENTREPRENEURIAL SPIRIT.~~

- ANOTHER EXCITING CHANGE

IS THE FAITH THAT IS BEING PLACED

IN THE INDIVIDUAL

AS THE SOURCE ^d ECONOMIC DEVELOPMENT IN THE THIRD WORLD.

~~THE ENERGIES AND ASPIRATIONS OF~~ INDIVIDUALS

ARE THE DRIVING FORCE BEHIND ~~DEVELOPMENT~~ *change*.

OUR EXPERIENCE HAS SHOWN US

THAT PEOPLE WILL WORK TO IMPROVE THEIR LIVES

IF THEY ARE GIVEN THE CHOICE.

THE TASK OF FOREIGN AID

IS TO CHANGE THE ENVIRONMENT

WITHIN WHICH ~~THE~~ INDIVIDUAL ~~CITIZENS~~

~~OF DEVELOPING COUNTRIES~~ WORK AND LIVE,

SO THAT THEY HAVE MORE OPTIONS

AND GREATER OPPORTUNITIES.

● CLOSELY TIED TO A GROWING RESPECT

FOR WHAT PEOPLE CAN DO ON THEIR OWN

there
IS A GROWING RESPECT

FOR WHAT WOMEN CAN DO FOR A COUNTRY'S ECONOMY.

WE HAVE LEARNED FROM OUR EXPERIENCE

THAT WOMEN PLAY A CRITICAL ROLE IN DEVELOPMENT.

IN AFRICA,

WOMEN ARE RESPONSIBLE FOR ^{up to 80%?} ~~90 PERCENT~~

OF THE FOOD RAISED FOR HOME CONSUMPTION.

~~AS WE INCREASE FOOD SECURITY~~

In the future we will

~~WE CAN~~ REACH MORE WOMEN IN OUR PROGRAMS

AND MAKE ^{even more} SPECIAL EFFORTS TO MEET THEIR NEEDS.

AS MOTHERS,

WOMEN ARE THE FIRST LINE OF DEFENSE

AGAINST CHILDHOOD DISEASE.

OUR CHILD-SURVIVAL PROGRAMS CANNOT SUCCEED

WITHOUT THEIR FULL PARTICIPATION.

● FINALLY,

THERE IS THE TREND

TOWARD DEMOCRATIC PROCEDURES AND

MORE OPEN POLITICAL SYSTEMS

THROUGHOUT THE DEVELOPING WORLD.

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MORE OPEN POLITICAL SYSTEMS

THROUGHOUT THE DEVELOPING WORLD.

A PLURALISTIC AND OPEN POLITICAL CLIMATE IS THE BEST --
 AND ONLY -- CLIMATE
 IN WHICH THE ASPIRATIONS AND DREAMS
 OF INDIVIDUALS CAN BE FULLY REALIZED.
 SIMPLY PUT,
 WITH FREEDOM COMES ECONOMIC AND INDIVIDUAL GROWTH.

AGAINST THIS BACKGROUND OF OUR EXPERIENCE,
~~OF THE MOST IMPORTANT PROBLEMS AND~~
~~THE MOST PROMISING BREAKTHROUGHS.~~

I'D LIKE TO SHARE MY VISION
 OF WHAT THE FUTURE HOLDS FOR DEVELOPMENT
 IN THE THIRD WORLD IN THE NEXT GENERATION.

I SEE GREAT STRIDES IN HEALTH.

I BELIEVE THAT WE WILL ~~CONQUER~~ MOST TROPICAL DISEASES,
find the means to deal with
~~including~~
INCLUDING MALARIA.

I BELIEVE WE WILL SEE ^{almost} THE END OF DEATH
FROM COMMON CHILDHOOD DISEASES LIKE POLIO AND MEASLES.

~~IN FACT,~~

~~I BELIEVE WE WILL SEE A END TO ALL DISEASES
FOR WHICH WE HAVE VACCINES.~~

I BELIEVE ~~THAT IT IS REALISTIC TO PREDICT~~
^{almost} THAT ALL CHILDREN
WILL HAVE AT LEAST SOME SCHOOLING AND
THAT MOST WILL COMPLETE THE SIXTH GRADE.

I BELIEVE THAT SAFE, EFFECTIVE CONTRACEPTIVES
 WILL BE AVAILABLE
 TO THE ~~MAJORITY~~^{most} OF COUPLES IN DEVELOPING COUNTRIES.
 THIS WILL ALLOW THEM
 TO FREELY DECIDE
 THE NUMBER AND SPACING OF THEIR CHILDREN.

I BELIEVE THAT WE WILL SEE A GREEN REVOLUTION IN AFRICA.
 IT WILL BE MORE COMPLICATED
 THAN THE ASIAN AGRICULTURAL REVOLUTION
 BECAUSE IT WILL BE BASED
 ON MULTIPLE CROPS ~~RATHER THAN JUST TWO.~~

*I believe we will make significant progress great for crops
 program in increase production & drought resistance in
 dryer areas of the world where so
 many million of people live*

~~ALREADY THERE IS A SORGHUM--~~
 AFRICA'S EQUIVALENT TO RICE OR WHEAT--
 BEING USED IN THE SUDAN
 THAT ~~YIELDS 150 PERCENT MORE THAN TRADITIONAL~~ SORGHUM.

I BELIEVE THAT ECONOMIC POLICIES IN AFRICA

and most of the rest of the developing world

WILL CHANGE SO THAT PRIVATIZATION ~~WILL BEGIN~~

and market forces

~~will be the~~ *will play the most important*
~~TO GAIN A TRUE HOLD IN THAT CONTINENT.~~

role in the rest of the world

I BELIEVE

THAT FREE MARKETS AND DEMOCRATIC INSTITUTIONS

WILL BE THE NORM RATHER THAN THE EXCEPTION.

THE FUTURE IS NOT SOME DISTANT DREAM,

a far off dream best

Rather
IT HAS ALREADY BEGUN.

ALL THE CHILDREN BORN THIS YEAR

WILL REACH MATURITY BY ~~THE YEAR 2000.~~

about the turn of the century

I WANT TO ~~MAKE ONE LAST PREDICTION~~

express a hope

ABOUT THESE CHILDREN.

~~ONE~~ OF THEIR CHILDREN

It my dream that none

whose name will

WILL BE BORN IN THE THIRD WORLD.

sch

THE CONCEPT ~~WILL~~ ^{Should} PASS OUT OF EXISTENCE, ~~of~~

~~we do~~ ~~what should~~ ~~be done~~ ~~that~~ ~~will~~ THEY ~~WILL~~ BE BORN IN A BRIGHTER WORLD,

A SAFER WORLD, ~~A BETTER WORLD~~

THEY WILL BE BORN IN A WORLD

WHERE THEY HAVE GREATER FREEDOM

TO CHOOSE THEIR OWN DESTINY.

FOREIGN AID IS HELPING TO CREATE THIS WORLD.

WE CAN'T GIVE UP NOW.

FOR, WHEN PEOPLE ARE GIVEN CONTROL OF THEIR LIVES,

THEY'RE FREE TO DO MORE THAN EXIST.

THEY CAN BEGAN TO LIVE.

FIRST EARTH RUN CEREMONY
TUESDAY, DECEMBER 9, 12:15 P.M.
DIPLOMATIC ENTRANCE, STATE DEPARTMENT

AS THIS RELAY SO WONDERFULLY ILLUSTRATES, PEACE REQUIRES
HAND-TO-HAND COMMITMENT. YOU HAVE TO REACH OUT AND GRAB IT.
WHEN THE NATIONS OF THE WORLD DO THIS, THEN THE SYMBOLS OF
PEACE BEGIN TO BE REPLACED BY TANGIBLE EXAMPLES OF PEACE.

ON BEHALF OF PRESIDENT REAGAN, AID, AND ALL THE GENEROUS PEOPLE
IN THIS COUNTRY WHO SUPPORT THE HUMANITARIAN EFFORTS OF UNICEF,
IT IS AN HONOR TO PASS THIS TORCH ON TO ITS FINAL DESTINATION
IN NEW YORK. THIS FLAME IS AN OUTWARD SIGN OF A WARM DESIRE
AMERICANS HOLD IN THEIR HEARTS TO HELP THE NEEDIEST CHILDREN.

THE UNITED STATES IS UNICEF'S LEADING DONOR NATION. AMERICANS
HAVE A RIGHT TO BE PROUD OF UNICEF'S VICTORIES THESE PAST 40
YEARS. VICTORIES OVER POOR SANITARY CONDITIONS, OVER
MALNUTRITION, OVER LACK OF EDUCATION.

I AM MOST QUALIFIED TO SPEAK ABOUT THE VICTORY OVER DISEASE.
AID WORKED VERY CLOSELY WITH UNICEF IN IMMUNIZING CHILDREN AND
MOTHERS AGAINST DISEASES THAT TOOK MILLIONS OF LIVES IN YEARS
PAST. TODAY, SMALLPOX HAS BEEN ELIMINATED. CHILD MORTALITY
HAS BEEN CUT IN HALF. WHAT'S MORE, HEALTHY CHILDREN ARE
GROWING INTO HEALTHY, EDUCATED ADULTS WHO ARE LIVING AN AVERAGE
10 TO 20 YEARS LONGER THAN THEIR PARENTS.

SO, ADVANCES ARE BEING MADE. LIVES ARE BEING SAVED. AND WE
HAVE ONE CARING INTERNATIONAL ORGANIZATION IN PARTICULAR TO
THANK. LIKE THESE FINE ATHLETES, UNICEF IS MOVING AHEAD IN THE
NAME OF PEACE - AND STILL GOING STRONG.

REMARKS BY
M. PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
TO
CHICAGO COUNCIL ON FOREIGN RELATIONS
DECEMBER 10, 1986

THANK YOU VERY MUCH. IT'S A PLEASURE TO BE HERE.

THIS IS, I AM PROUD TO SAY, THE 25TH ANNIVERSARY
OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

PRESIDENT KENNEDY CREATED A.I.D. IN 1961.

IT WAS STARTED TO SAVE LIVES,

TO HELP BUILD STRONGER ECONOMIES,

AND TO SERVE OUR NATIONAL INTEREST BY BUILDING A MORE STABLE
AND PEACEFUL WORLD.

AND IT'S AN IDEA THAT IS WORKING!

IN THESE 25 YEARS, MILLIONS OF LIVES HAVE BEEN SAVED.

TREMENDOUS ECONOMIC ADVANCES HAVE BEEN MADE

IN ALL PARTS OF THE DEVELOPING WORLD.

AND I WANT YOU TO KNOW--NOW MORE THAN EVER IN THIS TIME OF
PUBLIC UNEASINESS IN THE AREA OF INTERNATIONAL AFFAIRS-- THAT
FOR 25 YEARS AID PROGRAMS HAVE FOSTERED STABILITY AND GENERATED
WORLDWIDE RESPECT FOR,
AND TRUST IN, AMERICA.

May 25th 1986
Chell notes
1/2

Substantive
input

Edwards
12/10/86

Missel
in the program
source

Much left
To do
Long plan

*Problem is
what to
do with
child mortality
control of
life*

TODAY, I WANT TO TALK ABOUT
INTERNATIONAL FAMILY PLANNING ASSISTANCE.
IT IS AN IMPORTANT PART OF U.S. FOREIGN AID.
IT IS ALSO A CONTROVERSIAL COMPONENT
AND, I BELIEVE, AN AREA THAT IS UNDERESTIMATED
AND MISUNDERSTOOD.

*Pop system
become
unemployment
system*

ABOUT 20 YEARS AGO, THERE BEGAN TO BE A GROWING AWARENESS OF
THE HIGH POPULATION GROWTH RATES IN MANY DEVELOPING COUNTRIES.
TODAY RATES OF POPULATION GROWTH IN MANY POOR COUNTRIES
ARE EVEN HIGHER THAN THEY WERE THEN.

THE RECENT AND UNPRECEDENTED GROWTH RATES --
THREE TO FOUR PERCENT IN SOME COUNTRIES --
ARE A CONSEQUENCE OF LOWER DEATH RATES
WITHOUT CORRESPONDING REDUCTIONS IN BIRTH RATES.
IN FACT, THESE GROWTH RATES ARE REALLY THE RESULT OF
OUR SUCCESS IN LOWERING MORTALITY IN DEVELOPING COUNTRIES.

THERE ARE MANY VIEWS
ON THE SUBJECT OF POPULATION GROWTH FLOATING AROUND.
SOME BELIEVE CURRENT HIGH RATES OF GROWTH
CONSTITUTE A GLOBAL CRISIS;
OTHERS ARE EQUALLY CONVINCED THAT
THERE IS NO CAUSE FOR ALARM.

Continued
-3-

THE ACTIVE DEBATE SURROUNDING THESE DIFFERENCES HAS CENTERED ON THE RELATIONSHIP BETWEEN POPULATION GROWTH AND ECONOMIC GROWTH, AS WELL AS ON ABORTION. THIS CONTROVERSY LED US TO CAREFULLY RE-EXAMINE OUR PROGRAMS AND THE RATIONALES FOR THEM. THE RESULT OF THIS REASSESSMENT IS A STRONG AFFIRMATION OF OUR COMMITMENT TO VOLUNTARY FAMILY PLANNING PROGRAMS IN DEVELOPING COUNTRIES.

A.I.D. HAS BEEN A MAJOR DONOR IN POPULATION ASSISTANCE. OUR CONTRIBUTION TO FAMILY PLANNING IS OVER 40 PERCENT OF THE SUPPORT PROVIDED BY THE INTERNATIONAL DONOR COMMUNITY. OVER THE PAST TWO DECADES,

A.I.D. HAS SPENT MORE THAN \$3 BILLION ON FAMILY PLANNING PROGRAMS. THE REAGAN ADMINISTRATION HAS CONTRIBUTED ALMOST ONE HALF OF THIS FUNDING - ABOUT \$1.4 BILLION.

THIS YEAR WE WILL USE ABOUT \$230 MILLION IN POPULATION FUNDS.

THIS CONTRASTS WITH THE \$190 MILLION
SPENT IN 1981.

IN TIMES OF SHRINKING OVERALL BUDGETS,
THIS SIGNIFIES STRONG COMMITMENT.

LET ME TALK SPECIFICALLY ABOUT
A.I.D.'S POPULATION ASSISTANCE PROGRAM.

A LARGE NUMBER OF DEVELOPING COUNTRIES,
UPON EXAMINING THEIR OWN CIRCUMSTANCES,
HAVE CHOSEN TO SUPPORT
VOLUNTARY FAMILY PLANNING PROGRAMS.

IN FACT, TODAY, ~~MORE THAN 70 COUNTRIES HAVE POLICIES~~
~~AIMED AT REDUCING THEIR HIGH RATES~~
OF POPULATION GROWTH THROUGH PROVISION OF
VOLUNTARY FAMILY PLANNING SERVICES.

A.I.D. PROVIDES POPULATION ASSISTANCE TO MORE
THAN 80 COUNTRIES.

LET'S LOOK AT WHAT OUR POPULATION
ASSISTANCE PAYS FOR.

OVER 80 PERCENT OF OUR ASSISTANCE
IS SPENT ON FAMILY PLANNING SERVICES

Handwritten notes:
- "detail" (circled)
- "inched, sub detail, Bangladesh" (written vertically)

FUNDS ARE USED TO TRAIN DOCTORS, NURSES,
PARAMEDICS AND FIELD WORKERS.
THEY GO TOWARD PURCHASING, CONTRACEPTIVE SUPPLIES,
TOWARD FUNDING PRIVATE AND
GOVERNMENT FAMILY PLANNING CLINICS,
TOWARD COMMUNITY-BASED DISTRIBUTION PROGRAMS AND
CONTRACEPTIVE RETAIL SALES PROGRAMS.

WE'VE ALSO MADE IMPORTANT INVESTMENTS
IN IMPROVING TECHNOLOGY FOR HIGH QUALITY
SAFE FAMILY PLANNING SERVICES.

WE SUPPORT BIOMEDICAL RESEARCH THAT DEVELOPS
NEW METHODS OF CONTRACEPTION AND IMPROVES EXISTING ONES.
LAST YEAR WE SPENT ABOUT 12 PERCENT
OF OUR POPULATION BUDGET
ON CONTRACEPTIVE RESEARCH.

WE SUPPORT BETTER
AND MORE CREATIVE
COMMUNICATION IN ALL OUR FAMILY PLANNING PROGRAMS.

AN EXAMPLE OF THE POWER OF MASS COMMUNICATION
IS A POP RECORD PRODUCED BY A.I.D. AND JOHNS HOPKINS
UNIVERSITY.

*Implants
testing*

*Mexican
Record*

*Robert
Rebrand
Munster*

WHETHER OR NOT FAMILY PLANNING SERVICES ARE AVAILABLE IS OF ENORMOUS CONSEQUENCE TO MANY FAMILIES AND INDIVIDUALS IN THE DEVELOPING WORLD.

THE AVAILABILITY OF FAMILY PLANNING SERVICES GIVES COUPLES IN DEVELOPING COUNTRIES THE ABILITY TO MAKE THEIR OWN DECISIONS ABOUT THE NUMBER AND SPACING OF THEIR CHILDREN.

THIS BASIC RIGHT WAS STRONGLY REAFFIRMED BY INTERNATIONAL CONSENSUS AT THE INTERNATIONAL CONFERENCE ON POPULATION IN MEXICO CITY IN 1984.

THERE ONCE WAS A TIME WHEN MOST FAMILIES WANTED AND NEEDED MANY CHILDREN TO CONTRIBUTE TO THE FAMILY'S AGRICULTURAL PRODUCTION.

BIG FAMILIES ALSO ENSURED THAT ENOUGH CHILDREN SURVIVED TO CARE FOR THEIR PARENTS IN THEIR OLD AGE.

BUT THE WORLD HAS CHANGED A GREAT DEAL. URBANIZATION AND DRASTICALLY LOWER CHILD MORTALITY HAS CREATED A NEW SITUATION FOR MILLIONS OF FAMILIES THROUGHOUT THE DEVELOPING WORLD.

Program
Three
Reasons

Prevent couples

1) opt - life
health, mother, child

2) Reduce apart

FIFTY PERCENT OR MORE OF THE POPULATIONS
 OF MANY DEVELOPING COUNTRIES ARE NOW URBAN--
 AND AS MANY OF YOU KNOW
 THERE IS EVEN A VERY STRONG URBAN TREND IN AFRICA.
 THE WORLD IS SIMPLY ^{very} DIFFERENT FOR MANY FAMILIES NOW,
 AND THEY ^{need} NEED AND WANT FEWER CHILDREN.

Control

FAMILY PLANNING IS AN OPTION
WHICH AMERICAN FAMILIES TAKE FOR GRANTED.

I SUSPECT THAT MOST OF US HERE ARE GLAD
 THAT WE HAVE,

AND OUR CHILDREN WILL HAVE,

THE INFORMATION AND SERVICES

SO THAT WE CAN DECIDE THE SIZE AND SPACING
 OF OUR OWN FAMILIES.

WE MUST REMEMBER

THAT THESE SERVICES ARE NOT AVAILABLE
TO MILLIONS OF FAMILIES IN THE THIRD WORLD.

THE UNFULFILLED DESIRE OF THIRD WORLD FAMILIES

TO HAVE FEWER CHILDREN IS NOT JUST WESTERN SPECULATION.

SURVEYS SHOW A LARGE NUMBER OF WOMEN

WOULD LIKE TO SPACE BIRTHS

OR LIMIT THEIR FAMILY SIZE.

Sunday Show went

Answer

Wheller story

BUT THEY CAN'T--BECAUSE NO FAMILY PLANNING SERVICES ARE AVAILABLE.

A WELL-DESIGNED STUDY IN BANGLADESH DEMONSTRATED WHEN HIGH-QUALITY FAMILY PLANNING SERVICES WERE MADE AVAILABLE TO POOR VILLAGERS ON A VOLUNTARY BASIS, CONTRACEPTIVE PREVALENCE INCREASED FROM 6.9 PERCENT TO 47 PERCENT.²

WE ALSO BELIEVE THAT FAMILIES WHO MAKE CONSCIOUS CHOICES ABOUT FAMILY SIZE ARE MORE LIKELY TO MAKE CHOICES ABOUT OTHER AREAS OF THEIR LIVES.

IN THIS WAY OUR SUPPORT FOR VOLUNTARY FAMILY PLANNING PROGRAMS ENCOURAGES INDIVIDUAL AUTONOMY AND DECISION-MAKING WHICH IS CONSISTENT WITH A DEMOCRATIC SYSTEM AND A FREE ENTERPRIS ECONOMY.

2 THE HEALTH AND SURVIVAL OF MOTHERS AND CHILDREN PROVIDES ANOTHER IMPORTANT REASON FOR FAMILY PLANNING.

FOURTEEN MILLION CHILDREN UNDER FIVE DIE EACH YEAR IN DEVELOPING COUNTRIES.

AN MATERNAL MORTALITY IS THE LEADING CAUSE OF DEATH
FOR WOMEN IN DEVELOPING NATIONS.

BUT MANY OF THESE DEATHS CAN BE PREVENTED BY FAMILY
PLANNING.

ONE OF THE MOST SERIOUS CONSEQUENCES OF BEARING MANY CHILDREN
IN QUICK SUCCESSION

IS THAT MORE CHILDREN -- AND MORE MOTHERS -- DIE.

A CHILD BORN WITHIN TWO YEARS OF AN EARLIER BIRTH

IS TWICE AS LIKELY TO DIE

AS A CHILD BORN AFTER AN INTERVAL OF TWO OR MORE YEARS.

ALSO,

THE OLDER CHILD IS MORE LIKELY TO DIE.³

IT'S BEEN FOUND THAT SPACING BIRTHS

AT LEAST TWO YEARS APART

COULD REDUCE THE DEATHS OF CHILDREN UNDER FOUR

BY OVER 20 PERCENT.⁴

AS MANY AS 200,000 MOTHER DEATHS

PER YEAR ARE ATTRIBUTED TO TOO MANY PREGNANCIES THAT COME,

TOO EARLY OR TOO LATE IN THE REPRODUCTIVE PERIOD.⁵

SO FAMILY PLANNING SAVES LIVES.

IT IS A CRITICAL COMPONENT OF MOTHER AND CHILD SURVIVAL.

THIS ADMINISTRATION,
 WITH STRONG CONGRESSIONAL SUPPORT
 HAS LAUNCHED A MAJOR INTERNATIONAL HEALTH PROGRAM
 THAT FOCUSES ON INTERVENTIONS TO SAVE CHILDREN.
 IMMUNIZATIONS AND ORAL REHYDRATION THERAPY
 ARE A MAJOR THRUST
 OF THIS PROGRAM.
 IT MAKES SENSE TO INCLUDE FAMILY PLANNING SERVICES
 AS PART OF THESE HEALTH EFFORTS
 SINCE CHILD SPACING HAS SUCH A POWERFUL EFFECT
 ON REDUCING INFANT, CHILD, AND MATERNAL DEATHS.

A THIRD REASON FOR FAMILY PLANNING,
 IS THE REDUCTION OF ABORTION.

WHEN COUPLES WANT FEWER CHILDREN,
 AND FAMILY PLANNING SERVICES ARE NOT ACCESSIBLE,
 ABORTION IS OFTEN RESORTED TO.

THIS IS TRUE, WHETHER OR NOT IT IS LEGAL.

IT IS ESTIMATED THAT MORE THAN 25 MILLION ABORTIONS OCCUR IN
 DEVELOPING COUNTRIES EACH YEAR COMPARED WITH 113 MILLION
 BIRTHS.⁶

EVIDENCE FROM SOME LATIN AMERICAN AND ASIAN COUNTRIES
 INDICATES THAT AS MANY AS
 ONE OUT OF THREE WOMEN HAVE HAD AN ABORTION.

*almost no
 one sees about
 or a pre-
 abort-
 you
 when
 high
 death*

*dat. Show
abortion
in a
[unclear]
avoided*

~~MAN OF THESE ABORTIONS WOULD BE PREVENTED
IF FAMILY PLANNING SERVICES WERE AVAILABLE.~~

~~THE MEXICAN SOCIAL SECURITY ADMINISTRATION
ESTIMATES THAT IT HAS PREVENTED 360,000 ABORTIONS
SINCE FAMILY PLANNING SERVICES BEGAN IN 1972.~~⁷

IN CHILE,

THE NUMBER OF WOMEN SEEKING HELP IN HOSPITALS FOR COMPLICATIONS
FROM ILLEGAL ABORTIONS DECLINED SUBSTANTIALLY AFTER 1965,
WHEN MODERN FAMILY PLANNING SERVICES BEGAN TO BE WIDELY
AVAILABLE.⁸

I BELIEVE VOLUNTARY FAMILY PLANNING IS NECESSARY.

Called of 1, 5-5
O NECESSARY IF FAMILIES ARE TO DETERMINE THE NUMBER AND
SPACING OF THEIR CHILDREN;

Health
O NECESSARY IF MORE MOTHERS AND CHILDREN ARE TO SURVIVE;

O AND NECESSARY IF WE WANT TO REDUCE THE NUMBER OF ABORTIONS
IN DEVELOPING COUNTRIES.

THESE REASONS DO NOT MEAN THAT WE HAVE FORGOTTEN THE ROLE OF
FAMILY PLANNING IN ECONOMIC DEVELOPMENT.

Some

RECENT CONTROVERSY OVER POPULATION ASSISTANCE
HAS CENTERED ON THE RELATIONSHIP BETWEEN ECONOMIC GROWTH
AND POPULATION GROWTH.

SOME HAVE ARGUED THAT RISING BIRTH RATES
ARE A WORLDWIDE CRISIS
AND A MAJOR REASON FOR POVERTY IN THE THIRD WORLD.

Some say Crisis

THE ISSUE OF POPULATION GROWTH
HAS BEEN TEMPERED IN THE MINDS OF SOME -
THOUGH NOT ALL -

BECAUSE OF DECLINING BIRTH RATES IN SOME COUNTRIES
AND THE RECOGNITION THAT HUMAN RESOURCES
AND TECHNOLOGICAL INNOVATION,
PROVIDE A KEY RESPONSE
TO THE NEEDS OF A GROWING POPULATION.

economic policy

EXISTING DATA DOES NOT FULLY CLARIFY
THE RELATIONSHIP BETWEEN POPULATION GROWTH AND ECONOMIC GROWTH.
I THINK WE NEED FURTHER RESEARCH ON THIS SUBJECT BEFORE WE
CAN FULLY UNDERSTAND HOW THESE PROCESSES WORK.
NEVERTHELESS,

WE KNOW THAT A NUMBER OF COUNTRIES
WITH SUSTAINED ECONOMIC GROWTH IN RECENT DECADES
ALSO HAD SUCCESSFUL FAMILY PLANNING SERVICES
AND SUBSTANTIAL REDUCTIONS IN POPULATION GROWTH RATES.

THE PACIFIC RIM COUNTRIES, KOREA, TAIWAN, SINGAPORE, HONG KONG,
AND OTHERS, COME TO MIND.

IT IS NOT CLEAR HOW MUCH

OF THE POPULATION GROWTH REDUCTIONS IN THESE COUNTRIES CAME
BECAUSE OF ECONOMIC GROWTH OR,
ON THE OTHER HAND,

WHAT CONTRIBUTION THE REDUCED POPULATION GROWTH RATES
MADE TO ECONOMIC GROWTH.

WE DO KNOW THAT FAMILY PLANNING SERVICES,
MODERATE POPULATION GROWTH RATES
AND SUSTAINED ECONOMIC GROWTH
WENT HAND-IN-HAND IN THESE COUNTRIES.

IN CONTRAST,

THERE ARE A NUMBER OF COUNTRIES
WHERE THERE ARE HIGH POPULATION GROWTH RATES
AND SLOW ECONOMIC GROWTH RATES.

AFRICA IS A NOTEWORTHY CASE.

IN MANY AFRICAN COUNTRIES,

SUSTAINED NEGATIVE PER CAPITA GROWTH

EXISTS ALONGSIDE VERY HIGH POPULATION GROWTH RATES.

LET ME ~~STATE THAT THE PROBLEM IS NOT THE VERY HIGH~~
~~POPULATION GROWTH IN SOME~~
COUNTRIES.

Some say
TO ~~STATE THAT~~ A POOR NATION
WITH TOO HIGH A POPULATION GROWTH RATE
CANNOT MAKE THE INVESTMENT IN EDUCATION, HEALTH, AND SO FORTH,
BECAUSE OF THE EVER-GROWING WAVE OF NEWBORNS.
~~SOME ALSO~~ ARGUE THAT HIGH POPULATION GROWTH RATES CONTRIBUTE TO
THE DEGRADATION OF LAND.

THE OTHER SIDE CONTENDS
THAT NATIONS, OVER TIME,
ARE ABLE TO ADJUST TO THE PRESSURES OF MORE PEOPLE;
INDEED THAT THE PRESSURE MAY BE A VERY IMPORTANT STIMULUS TO
INNOVATION AND GROWTH.

IT SEEMS TO ME,
THAT THOSE TAKING THE POSITION
THAT NATIONS CAN ADJUST ASSUMES A DEGREE OF POLITICAL
FLEXIBILITY IN THOSE COUNTRIES.
THIS ARGUMENT MAY UNDERESTIMATE, FOR EXAMPLE, TRIBAL CONFLICTS,
THE ~~UNWILLINGNESS OF THE PEOPLE TO ACCEPT SUCH PRESSURES~~
DROUGHTS, AND FAMINES, *and so on.*
ALSO, IT MAY UNREALISTICALLY JUDGE THE ABILITY OF FAIRLY

PRIMITIVE SOCIETIES TO OBTAIN
AND IMPLEMENT TECHNOLOGICAL INNOVATION.

IN SHORT,

THE SITUATION MAY BE SO SEVERE
THAT REASONABLE ADJUSTMENTS WILL NOT OCCUR
IN A TIMELY FASHION.

I DO NOT WANT TO SHORT THE CONTRIBUTION
THAT DEVELOPMENT PROGRAMS AND POLICY CHANGES CAN MAKE
TO ECONOMIC GROWTH.

I THINK THAT SEVERAL COMPONENTS -- ABOUT WHICH THERE IS A
GROWING CONSENSUS -- ARE CRITICAL TO OBTAINING ECONOMIC GROWTH.

THE FIRST IS SOUND, MARKET-ORIENTED ECONOMIC POLICIES.

WITHOUT WHICH THE ECONOMIC AND SOCIAL ASPIRATIONS OF COUNTRIES
CANNOT BE ACHIEVED.

THERE ALSO ARE SEVERAL OTHER COMPONENTS WHICH ARE USUALLY
NECESSARY TO ACHIEVE SUSTAINED GROWTH.

AMONG THE MOST IMPORTANT

IS HUMAN RESOURCE DEVELOPMENT -- EDUCATION AND TRAINING, FOR
EXAMPLE.

DR. THEODORE SHULTZ, A NOBEL PRIZE WINNER, HAS DOCUMENTED THE
ROLE OF HUMAN RESOURCES IN ECONOMIC GROWTH.

~~Book~~ ~~written~~
THE IMPACT OF POPULATION GROWTH ON ECONOMIC GROWTH IS
DEBATABLE.

*When you try to prove the case
w. 76 J.R.*

~~_____~~
~~_____~~
~~_____~~

AT THE SAME TIME,

IT IS RARE INDEED TO HEAR

IT IS ARGUED THAT VERY RAPID POPULATION GROWTH

CONTRIBUTES TO ECONOMIC GROWTH.

IN _____,

~~_____~~
~~_____~~
~~_____~~

MAKE FAMILY _____ FOR ECONOMIC GROWTH.

I KNOW THAT ECONOMIC MODELS
HAVE NOT GIVEN US CLEAR ANSWERS,

we show
BUT AS ~~we~~ WALK THROUGH LAGOS, MEXICO CITY AND DHAKA,

many are
~~we~~ WILLING TO GO WITH THE BET.

of family planning

NOW LET ME TURN TO THE ISSUE OF ABORTION.

THIS ADMINISTRATION HAS BEEN CONSISTENT

IN ITS OPPOSITION TO ABORTION

AS A METHOD OF FAMILY PLANNING

AND IN ITS SUPPORT FOR VOLUNTARY FAMILY PLANNING METHODS.

Regardless you with family planning

A.I.D.'S GOAL HAS BEEN TO ADMINISTER FAIRLY,
AND WITH COMMON SENSE,
THIS ~~PROGRAM~~ POLICY.

IT IS MY VIEW THAT WE HAVE FAITHFULLY
CARRIED OUT BOTH POLICIES IN THE BEST WAY POSSIBLE.

WE HAVE APPLIED OUR ANTI-ABORTION
AND PRO-FAMILY PLANNING POSITIONS
TO THE PARTICULAR CIRCUMSTANCES OF OUR PROGRAM.

IN FACT,
OUR SUPPORT FOR FAMILY PLANNING PROGRAMS
PROVIDES A VERY IMPORTANT ALTERNATIVE TO ABORTION.

IN CLOSING,

I WANT TO REITERATE THE IMPORTANT IMPACT
OF FAMILY PLANNING SERVICES
ON INDIVIDUALS
AND FAMILIES IN DEVELOPING COUNTRIES.

FOR THE FAMILY,
FAMILY PLANNING MEANS THE ABILITY
TO DETERMINE FREELY AND RESPONSIBLY
THE NUMBER AND SPACING OF ONE'S OWN CHILDREN.

over 90%
Thomas P. Bell

Robert M. ...

Director
Robert ...

COPERNICUS SOCIETY
PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
DECEMBER 11, 1986

To:
Peter
Chandler

GOOD EVENING.

LADIES AND GENTLEMEN,

MY NAME IS PETER MCPHERSON AND I AM YOUR DINNER CHAIRMAN.

ON BEHALF OF CARDINAL KROL AND ED PISZEK

I WOULD LIKE TO WELCOME YOU.

PLEASE RISE FOR THE NATIONAL ANTHEM

AND

REMAIN STANDING FOR THE INVOCATION

BY MONSIGNOR JOHN NOLAN,

NATIONAL SECRETARY,

CATHOLIC NEAR EAST WELFARE ASSOCIATION.

THANK YOU MONSIGNOR --

LADIES AND GENTLEMEN ENJOY YOUR

DINNER.

(AFTER THE DINNER)

AFTER THIS DELICIOUS MEAL,

ALLOW ME TO INTRODUCE OUR HEAD TABLE.

PLEASE HOLD YOUR APPLAUSE
UNTIL THE INTRODUCTIONS ARE COMPLETED.

NOT BEING A CATHOLIC,
I USED TO BE CONCERNED
ABOUT THE WAY ONE INTRODUCES
A MEMBER OF THE CHURCH HEIRARCHY.
NO MORE, AND CERTAINLY NOT IN THIS CASE.
ON MY LEFT MY FRIEND,
JOHN CARDINAL KROL, THE ARCHBISHOP OF PHILADELPHIA.

NEXT, OUR VERY GOOD FRIEND AND
THE PRESIDENT OF THE COPERNICUS SOCIETY OF AMERICA--
ED PISZEK.

SEATED NEXT TO ED IS ANOTHER DEAR FRIEND AND,
AS I ALWAYS SAY: ED'S INSPIRATION.
MRS. OLZA PISZEK,
TO WHOM I'D LIKE TO PRESENT
A SYMBOL OF OUR AFFECTION.
(PRESENT ROSES)
AND OF COURSE: MONSIGNOR NOLAN.

SEATED TO MY FAR RIGHT IS
SISTER CATHERINE MCNAMEE
OF THE SISTERS OF ST. JOSEPH
AND
THE PRESIDENT OF THE NATIONAL CATHOLIC EDUCATION ASSOCIATION.
WELCOME TO WASHINGTON, SISTER!

NEXT,
A GENTLEMEN WHO ANNUALLY INSPIRES US AT THIS COPERNICUS DINNER,
THE HOLDER OF THE GEORGE FREDERICK JEWETT CHAIR
IN PUBLIC POLICY RESEARCH
AT THE AMERICAN ENTERPRISE INSTITUTE,
MICHAEL NOVAK.

I AM ESPECIALLY PLEASED TO WELCOME NOW: MRS. J. PETER GRACE,
A LADY MORE RADIANT THAN THIS GIFT WE PRESENT.
(PRESENT ROSES)
AND, OF COURSE,
THE CHAIRMAN OF THE PRESIDENT'S PRIVATE SECTOR SURVEY
ON COST CONTROL,
THE CHAIRMAN OF W. R. GRACE AND CO.,
PRESIDENT OF THE AMERICAN ASSOCIATION OF THE KNIGHTS OF MALTA
AND TONIGHT'S HONOREE:
J. PETER GRACE.

(PAUSE)

THANK YOU FOR BEING WITH US.

I'M SORRY I CANNOT RECOGNIZE EACH ONE OF YOU -

FOR EACH OF YOU IS PRECIOUS

TO AMERICA AND THE COPERNICUS SOCIETY.

BUT I ASK YOU TO GREET A PARTNER WITH PETER GRACE

IN THE WAR AGAINST WASTE, FRAUD AND ABUSE --

THE NOTED COLUMNIST:

JACK ANDERSON.

(PAUSE)

CARDINAL KROL, JACK ANDERSON AND I

HAVE ONE VERY SPECIAL BOND:

WE ALL CLAIM MOUNT ST. MARY'S COLLEGE AS OUR ALMA MATER.

NOW, MAY I PRESENT THE PRESIDENT OF THE MOUNT,

DOCTOR ROBERT WICKENHAUSER!

(PAUSE)

THE PURPOSE OF TONIGHT'S DINNER

IS TO RECOGNIZE THE UNIQUE CONTRIBUTIONS

OF A DISTINGHISHED INDIVIDUAL.

AND WE DO SO

WITH THE COPERNICUS SOCIETY'S HIGHEST TRIBUTE --

THE "DEVELOPMENT IS PEACE" MEDAL.

TO OFFER FOR THE THIRD YEAR
HIS COMMENTS ON THE TOPIC OF DEVELOPMENT,
I WOULD LIKE TO RE-INTRODUCE THE PHILOSOPHER AND SCHOLAR,
MR. MICHAEL NOVAK.

(NOVAK COMES TO PODIUM FOR REMARKS)

THANK YOU, MICHAEL.

AGAIN IT'S MY HONOR
TO PRESENT TO YOU, CARDINAL KROL.

(THE CARDINAL'S REMARKS)

THANK YOU, YOUR EMINENCE

(BEGIN MCPHERSON 5-MINUTE REMARKS)

COPERNICUS, YOU KNOW,
WAS THE ASTRONOMER WHO DISCOVERED
THAT THE PLANET EARTH IS A LOT LIKE THE FEDERAL GOVERNMENT --
IT HAS A TENDENCY TO GO AROUND AND AROUND IN CIRCLES.

SERIOUSLY,

THE WHOLE IDEA OF AN EARTH THAT ORBITS THE SUN --
INSTEAD OF THE OTHER WAY AROUND --
WAS A HUMBLING DISCOVERY.

THE SUN BECAME FIRST FIDDLE, AND
THIS CAUSED US HUMANS TO RETHINK
WHY WE WERE PLACED ON THIS LOWLY PLANET
IN THE FIRST PLACE.

I THINK YOU KNOW THE ANSWER.

IT'S REALLY THE BEAUTIFUL MESSAGE OF THE CHRISTMAS SEASON.

THE ANSWER

HAS VERY LITTLE TO DO

WITH HOW MUCH THE WORLD CAN GIVE US.

IT HAS EVERYTHING TO DO

WITH HOW MUCH OF OURSELVES

WE CAN GIVE TO OTHERS.

I HAVE BEEN BLESSED

TO WORK FOR AN ORGANIZATION

WHICH TAKES THAT ANSWER TO HEART

AND PUTS IT INTO PRACTICE

THROUGH ITS PROGRAMS AND POLICIES.

A.I.D.'S PROGRAMS ARE WORKING DAILY
TO CREATE THE BEST KIND OF UNIVERSE --
A PEACE-CENTERED ONE.

(PAUSE)

IT MIGHT SEEM LIKE A CONTRADICTION
FOR THE HEAD OF A GOVERNMENT AGENCY
TO BE UP HERE ENDORSING --
INDEED HONORING --
THE MAN WHO LED THE ATTACK AGAINST THE BUDGET DEFICIT.

BUT PETER GRACE AND I BOTH KNOW
THE PEOPLE WHO ARE HURT MOST
BY WASTE, FRAUD AND ABUSE OF FEDERAL FUNDS --
ARE THE WEAKEST AND MOST VULNERABLE MEMBERS OF SOCIETY.

I MIGHT POINT OUT
THAT OVER THE PAST FOUR YEARS,
OUR MOST CONSERVATIVE OF PRESIDENTS
HAS INCREASED THE AID BUDGET BY \$3 BILLION.
I'M SURE YOU WOULD AGREE
HE MUST HAVE HAD GOOD REASONS FOR DOING SO.

PRESIDENT REAGAN
CERTAINLY WANTS TO SAVE AMERICA TAXPAYERS MONEY.

HE IS CONCERNED ABOUT USING EVERY DOLLAR WISELY.

BUT HE ALSO RECOGNIZES

THAT AMERICA HAS AN OBLIGATION
TO THE POOR IN THE DEVELOPING WORLD.

PETER GRACE KNOWS THIS TOO.

THAT'S WHY HE FELT COMPELLED, EVEN IN THE
HEIGHT OF THE WAR AGAINST WASTE,
TO ASK AID'S HELP IN THE ALLEVIATION OF LEPROSY
ON BEHALF OF THOSE WHO WERE SUFFERING.
AND I FELT NO HESITATION
IN RESPONDING POSITIVELY.

MICHAEL NOVAK HAS RECENTLY WRITTEN THAT
ONE MEASURE OF A GOOD SOCIETY
IS HOW WELL IT CARES
FOR THE MOST VULNERABLE OF ITS MEMBERS.

FOR THE AGENCY FOR INTERNATIONAL DEVELOPMENT,
THE DEVELOPING WORLD IS OUR SOCIETY.

GIVEN THAT, HOW HAS A.I.D. MEASURED UP?

LET ME TELL YOU SOME OF OUR ACCOMPLISHMENTS.

A.I.D. PLAYED THE LEAD ROLE IN COMBATING FAMINE IN AFRICA.

AMERICA ORGANIZED ONE OF THE GREATEST EFFORTS
EVER UNDERTAKEN BY A SINGLE COUNTRY.

WE PROVIDED OVER THREE MILLION TONS OF FOOD AND
OTHER EMERGENCY SUPPLIES TO AFRICA LAST YEAR.

THIS YEAR,

WHEN LOCUSTS THREATEN TO DEVOUR THE FOOD CROPS,
A.I.D. PROVIDED AERIAL SPRAYING.

I TRAVELLED WITH SECRETARY SHULTZ

TO ASSESS THE EARTHQUAKE DAMAGE IN EL SALVADOR.

WE COULD SEE THAT MUCH OF THE DOWNTOWN AREA WAS RUBBLE.

CONGRESS AUTHORIZED \$50 MILLION FOR RECONSTRUCTION AND

\$2 MILLION FOR EMERGENCY SUPPLIES

THAT A.I.D. ADMINISTERED.

WHEN TYPHOON PEGGY STRUCK THE PHILLIPINES

AND LEFT 400,000 PEOPLE WITHOUT SHELTER,

A.I.D. PROVIDED EMERGENCY FOOD, MEDICINE AND
SEEDS TO REPLACE DAMAGED CROPS.

AND,

CATHOLIC RELIEF SERVICES WAS GIVEN MONEY
TO HELP THOSE IN ISOLATED MOUNTAIN AREAS.

WHAT DOES THE FUTURE HOLD FOR DEVELOPMENT IN THE THIRD WORLD?

I SEE GREAT STRIDES IN HEALTH.

I BELIEVE THAT WE WILL FIND THE MEANS
TO DEAL WITH MOST TROPICAL DISEASES, INCLUDING MALARIA.

I BELIEVE WE WILL ALMOST SEE THE END OF DEATH
FROM COMMON CHILDHOOD DISEASES LIKE POLIO AND MEASLES.

I BELIEVE THAT NEARLY ALL CHILDREN WILL HAVE SOME SCHOOLING,
AND THAT MOST WILL COMPLETE THE SIXTH GRADE.

I BELIEVE THAT WE WILL SEE A GREEN REVOLUTION
TRANSFORM FOOD PRODUCTION IN AFRICA.

I BELIEVE THAT FREE MARKETS AND DEMOCRATIC INSTITUTIONS
WILL BE THE NORM RATHER THAN THE EXCEPTION.

AS WE THINK ABOUT THE CHILDREN OF THE WORLD
AT THIS CHRISTMAS SEASON,
WE REALIZE THAT THE CHILDREN BORN THIS YEAR
WILL REACH MATURITY BY THE YEAR 2000.

I WANT TO MAKE ONE LAST PREDICTION ABOUT THESE CHILDREN.
VERY FEW OF THEIR CHILDREN
WILL BE BORN IN WHAT WE NOW CALL THE THIRD WORLD.

THE CONCEPT WILL PASS OUT OF EXISTENCE.

THEY WILL BE BORN IN A BRIGHTER WORLD,

A SAFER WORLD, A BETTER WORLD.

IN SHORT,

THEY WILL BE BORN IN A WORLD

WHERE THEY HAVE THE FREEDOM TO CHOOSE THEIR OWN DESTINY.

FOREIGN AID, MY FRIENDS,

IS HELPING TO CREATE THIS WORLD.

THANK YOU.

(PAUSE AND WAIT FOR APPLAUSE).

NOW,

I HAVE THE HONOR TO AGAIN PRESENT OUR HOST OF THIS EVENING.

A MAN WHO HAS DEDICATED HIS LIFE

TO HELPING THE DEVELOPMENT OF PEOPLE.

HE FIRST DISTINGUISHED HIMSELF
BY BUILDING A REMARKABLE BUSINESS ENTERPRISE
CALLED MRS. PAUL'S, AND,
IN SO DOING
CREATED THOUSANDS OF JOBS IN THE DELAWARE VALLEY.

BY THE MID-1960S
HE WAS HELPING CHILDREN IN LATIN AMERICA
AND ENDING TUBERCULOSIS IN POLAND.
HE CONTINUES TO HELP THAT COUNTRY
AND THE POLISH PEOPLE HE LOVES SO MUCH.
HE CREATED THE COPERNICUS SOCIETY
TO FURTHER HIS LIFE-LONG DEDICATION
TO THE GLORIOUS IDEA
THAT DEVELOPMENT IS PEACE.

LADIES AND GENTLEMEN, ED PISZEK.

(PISZEK RISES, MAKES INTRODUCTION OF GRACE AND PRESENTS
MEDAL.)

(MR. GRACE'S REMARKS)

(MCPHERSON'S FIND REMARKS) THANK YOU, PETER.

LADIES AND GENTLEMEN, WILL YOU PLEASE STAND
WHILE SISTER CATHERINE OFFERS THE BENEDICTION.

(SISTER CATHERINE OFFERS BENEDICTION)

THANK YOU LADIES AND GENTLEMEN.

PLEASE FEEL FREE TO STAY FOR AN AFTER DINNER DRINK.

REMARKS FOR
PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
AFRICAN DROUGHT AWARDS CEREMONY
JANUARY 28, 1987

O EVERYONE WHO TOOK PART IN THE FAMINE RELIEF EFFORT
FELT -- BELIEVED -- THAT WHAT WE WERE DOING WAS NOT JUST
IMPORTANT. IT WAS PERHAPS THE MOST IMPORTANT THING WE WOULD
EVER DO.

O THE GROUND RULES WERE PRETTY BASIC: IF YOU WORKED HARD,
YOU SAVED LIVES. AND IF YOU WORKED EVEN HARDER, YOU SAVED
MORE LIVES.

- SO PEOPLE PUT IN 12, 14, 16-HOUR DAYS;
- THEY CAME IN ON WEEKENDS;
- THEY CAME IN ON DAYS LIKE THIS MONDAY;

- BECAUSE COMING IN MEANT THAT YOU MIGHT BE ABLE TO
SECURE ANOTHER TRUCK THAT COULD DELIVER MORE SORGHUM. . .
AND MEN, WOMEN AND CHILDREN WOULD LIVE.

O THERE ARE LOTS OF STORIES OF HOW THAT ONE MORE PHONE CALL
OR THAT ONE MORE HOUR OF WORK MADE THE DIFFERENCE BETWEEN LIFE
AND DEATH FOR SOMEONE IN AFRICA.

O SO, YES, YOUR EFFORTS HAD AN ENORMOUS IMPACT.

O (PERSONAL ANECDOTES)

- SISTER TERESA.

O THE BEAUTY OF THE EFFORT WAS THAT OUR CAUSE ALSO BECAME THE
CAUSE OF THE AMERICAN PUBLIC:

- EVERYONE FROM SCHOOL CHILDREN TO HOUSEWIVES, TO PEOPLE
OF EVERY PROFESSION CHIPPED IN.
- IF YOU ADD UP ALL THE FOOD ASSISTANCE THAT CAME FROM
AMERICANS, IT COMES OUT TO EQUAL 30 POUNDS FOR EVERY
PERSON IN THE UNITED STATES.

O BI-PARTISAN SUPPORT IN CONGRESS:

- RECOGNITION THAT "A HUNGRY CHILD KNOWS NO POLITICS."

O AND THE RELIEF EFFORT GOT THE FULL SUPPORT OF PRESIDENT REAGAN:

- HE TOLD ME REPEATEDLY AT MEETINGS: "DO WHATEVER IS NECESSARY TO GET THE JOB DONE."

O THE AFRICAN FAMINE RELIEF EFFORT PULLED PEOPLE TOGETHER HERE IN AMERICA. IT WAS AN EXTRAORDINARY EXAMPLE OF THE GOOD THAT CAN COME WHEN FOREIGN POLICY AND HUMANITARIAN AID MERGE.

O IN CLOSING, LET ME SAY THAT IT IS IMPORTANT TO SEE THIS FAMINE RELIEF EFFORT AS PART OF A COMPREHENSIVE DEVELOPMENT ASSISTANCE PROGRAM THAT A.I.D. AND ITS MANY PARTNERS HAS BEEN PRACTICING FOR MORE THAN 25 YEARS.

O FAMINE RELIEF IS PART OF THE DEVELOPMENT EQUATION,

BUT THERE ARE OTHER PARTS TO THE EQUATION:

- AGRICULTURAL DEVELOPMENT
- HEALTH CARE
- FAMILY PLANNING
- POLICY REFORM
- RESEARCH AND TECHNOLOGY ASSISTANCE
- INSTITUTIONAL DEVELOPMENT

O ALL ARE LIFE-GIVING. EACH IS AS IMPORTANT AS THE OTHER.

O THIS EQUATION HAS NOT ONLY MEANT THAT THOUSANDS OF LIVES WERE SAVED IN AFRICA OVER THE LAST FEW YEARS. THE EQUATION HAS BEEN WORKING FOR MORE THAN 25 YEARS.

O IT HAS LED TO:

- ELIMINATION OF SMALLPOX;
- LIFE EXPECTANCY THAT IS 10 TO 20 YEARS LONGER;
- CHILD MORTALITY RATE THAT HAS BEEN CUT BY HALF;
- GREEN REVOLUTION IN ASIA;
- BETTER EDUCATED CHILDREN;
- SAFE, EFFECTIVE FAMILY PLANNING METHODS;
- ORT THAT HAS THE POTENTIAL TO SAVE MILLIONS OF LIVES;

O SO, TO EVERYONE ASSEMBLED HERE THIS AFTERNOON:

CONGRATULATIONS. YOUR DEDICATION HAS MADE THE WORLD SAFER,
HEALTHIER, AND MORE HUMAN.

Feb 12, 1987

TALKING POINTS
FOR SWEARING-IN BY THE ADMINISTRATOR
OF
LEO M. WALSH AND PAUL FINDLEY
AS BIFAD MEMBERS

TODAY WE WELCOME A NEW MEMBER TO THE BIFAD

AND CONFIRM

THE CONTINUATION OF THE LONGEST-SERVING MEMBER.

THE APPOINTMENT OF DR. LEO WALSH

AND THE REAPPOINTMENT OF THE HONORABLE PAUL FINDLEY

WERE ANNOUNCED JUST LAST WEEK

BY THE WHITE HOUSE.

LEO WALSH IS CURRENTLY DEAN AND DIRECTOR

OF THE COLLEGE OF AGRICULTURAL AND LIFE SCIENCES OF THE

UNIVERSITY OF WISCONSIN-MADISON.

LEO GREW UP ON AN IOWA FARM,

AND TOOK HIS MASTERS AND DOCTORATE IN SOIL SCIENCES

FROM THE UNIVERSITY OF WISCONSIN.

LEO MUST REALLY HAVE
LIKED THE VIEW OF LAKE MENDOTA,
BECAUSE HE DECIDED TO STAY IN MADISON,
AT THE UNIVERSITY OF WISCONSIN,
FOR MORE THAN THIRTY YEARS!

LEO SUCCEEDS DUANE AKER ON THE BOARD.

LEO. . .WELCOME.

PAUL FINDLEY NEEDS NO INTRODUCTION.

AS CO-SPONSOR OF THE TITLE XII LEGISLATION
CREATING BIFAD,

PAUL CAN BE LOOKED ON AS A CHARTER MEMBER.

PAUL, WE WELCOME YOUR REAPPOINTMENT TO THE BOARD.

YOUR EXPERIENCE AND LEADERSHIP ARE NEEDED NOW,

AS MUCH AS EVER.

PAUL AND LEO,

YOU AND YOUR COLLEAGUES FACE THE CHALLENGE

OF HELPING TO CREATE A WORLD FREE FROM HUNGER.

THIS CHALLENGE REQUIRES US TO MAKE

THE MOST EFFECTIVE USE

OF INSTITUTIONAL RESOURCES OF THE TITLE XII UNIVERSITIES --

ESPECIALLY NOW.

DURING THIS TIME OF BUDGETARY AUSTERITY.

TOGETHER.

WE MUST LOOK TO DEVELOP WAYS TO BEST USE THESE RESOURCES

TO CREATE ESSENTIAL AGRICULTURAL INSTITUTIONS

IN THE DEVELOPING WORLD --

ESPECIALLY IN AFRICA.

WE AT A.I.D. LOOK FORWARD TO WORKING WITH YOU.

AND WITH THE UNIVERSITY COMMUNITY

TOWARD THAT END.

SUGGESTED TALKING POINTS
FOR SWEARING-IN BY THE ADMINISTRATOR
OF LEO M. WALSH AND PAUL FINDLEY
AS BIFAD MEMBERS

It is a real pleasure for me to be here on this occasion. Today we welcome a new member to the BIFAD and confirm the continuation on the Board of the longest serving member. The appointment of Dr. Leo M. Walsh and reappointment of the Honorable Paul Findley were announced just last week by the White House.

Leo Walsh has a distinguished career in agriculture. He originated from a farm in Iowa but for more than thirty years has treated the University of Wisconsin-Madison as his home, remaining there after receiving his masters and doctorate degrees in soil sciences at the university. He is currently Dean and Director of the College of Agricultural and Life Sciences. Leo succeeds Duane Acker on the Board. Leo, upon completion of his term we offered Duane an opportunity with AID (of course, at a considerably reduced salary) to implement the Board's recommendation. I cannot at this time promise the same largesse. However, we welcome the fresh perspective you can bring to BIFAD's deliberations.

Paul Findley, of course, needs no introduction. As co-sponsor of the Title XII legislation creating BIFAD, Paul can be looked upon as a charter member. Paul, we welcome your reappointment to the Board. You provide the continuity and stability needed, as we have learned, by any developing institution. Furthermore, you provide assurance that the Board will stay on track in terms of legislative intent.

Paul and Leo, you and your colleagues face a formidable challenge in working "toward a world free from hunger." One aspect of that challenge is to make the most effective use of the great wealth of institutional resources of the Title XII universities in a time of critical budgetary austerity. We, together, must seek out the most promising opportunities and develop innovative ways of using these resources to help create the essential agricultural institutions in the developing world, especially in Africa. We in AID look forward to working with you and the university community toward that end.

"Just Give Me The Opportunity"
John A. Hannah International Lecture
by
Peter McPherson, Administrator
Agency for International Development
Michigan State University
February 23, 1987

I want to talk about the role of the individual in development. I can remember clearly the words of John Hannah who said to me: "Peter, what development is all about is people." I have witnessed the truth of that statement time and again.

My basic principle is that people in developing countries are rational economic decision makers. They will reach for opportunity if and when opportunity is available.

Back when I was going to college, sociology and anthropology professors would argue that poor, unlettered people in the developing world were very slow to change. They were mired in tradition, and in the past -- and it was extremely difficult to get them to break away from the old and embrace something new and different.

But my experience over the years has convinced me that just the opposite is true. The Green Revolution emphatically proved that people in developing countries do change.

You remember that the Green Revolution in Asia produced miracle rice and wheat -- varieties that yielded three and four times more per acre than ever before. But there was some fear that people wouldn't use the seeds. Why? Because the rice didn't cook up the same way. And the porridge made from the rice didn't taste the same. The fear was that these people wouldn't change their old habits.

Well, they did. And from a few handfuls of hybrid rice and wheat began the Green Revolution in the Asian subcontinent.

My point is that it wasn't the grain that started the Green Revolution -- it was thousands of poor farmers who recognized that this grain offered a better way to feed themselves and their families.

I can remember being 100 miles away from Shanghai in the rice paddies 15 years ago -- and there was that miracle rice. It didn't take agriculture extension systems for those farmers to get hold of that rice -- it took initiative and common sense.

Individual initiative -- that's really what I want to talk about tonight.

My premise again is that individuals in developing countries will reach for the opportunity of a better life if that opportunity is real. The intricacies of this premise varies from country to country -- even region to region, but by and large people in the developing world are a lot like us.

This prompts the question: If these people are like us, why are they poor?

The answer, I would argue, is that their poverty is not a result of a lack of initiative. It is the result of an abundance of barriers or burdens that limit and constrain this initiative. For example:

- o If you have malaria, it robs you of your energy to work and get an education. There are about 200 million cases of malaria in the world. I was in Liberia recently, talking with a group of people. Each one had suffered a bout with malaria in the past six months. One man had to go to the hospital. All had missed some work.
- o Illiteracy: If you can't read, the world becomes very small and the opportunities for economic advancement become very limited.
- o If there are no family planning services that allow you to decide when to have children, and how many, then you lose the freedom to control and plan your future.
- o If there are no suitable roads to transport goods to market your harvests, you are likely to produce only enough food for your own family's consumption.
- o If the price you are going to get for your crop is an extremely low controlled price, you aren't going to invest the time and energy in producing a surplus to sell, even if there are roads.

Development, then, becomes a process of figuring out what stands in the way of people's initiative to improve themselves -- and working to roll away those barriers.

This is a very practical approach to development, involving some very basic premises about human nature -- so practical and basic, in fact, that it runs the risk of seeming trite, or looking like Republican dogma.

On the contrary, I think this approach is the core and common sense of what development is all about. Far from being trite, it lends itself to a number of profound policy implications which I'd like to talk about.

The first implication is that the main development tool is the people of the developing nations themselves. We need to harness people's capacity to improve themselves by improving literacy, by training, and by getting people directly involved in the development process.

In fact, we should be involving people from the very start, at the problem identification stage of development.

Strategies that do this, and recognize and give support to individual initiative stand the best chance of succeeding.

Let me give you an example. Last year in Haiti, A.I.D. worked with private voluntary organizations to plant five million trees. These trees were planted on people's property -- so individuals owned them. My experience is that people chop down other people's trees, but not their own. Or if they do chop down their trees, they do so for a good reason. The result is a very successful reforestation project.

Walk through the little towns in the developing world, whether it's in Latin America or the Egyptian Delta, and you'll see this individual initiative in action.

There is, in fact, something of an entrepreneurial revolution going on. There's a flurry of activity in what's been called the "Informal Sector," which is really an economy run by the little guys outside the centralized economy.

An example is a small entrepreneur in the Dominican Republic who repairs bicycles, but knows that if he can get a small loan he could also assemble bicycles for a rapidly growing market.

A study done here at Michigan State looked at this little-guy economy in 13 developing nations. The study found that these small enterprises use capital five to ten times more efficiently than large, established businesses.

The policy implication here is that we should be working to encourage this very fertile sub-sector of the economy so that these small entrepreneurs can get started, can become productive, even if only in very modest ways.

Closely related to this is a second policy implication. People in developing nations respond to economic incentives -- so a free-market force that enhances these incentives must be encouraged.

Let me make my point in the area of agriculture.

I recently got back from a trip with Secretary Shultz. Among the countries we visited were Kenya, Senegal and Nigeria. In every one of these countries, the government increased the prices paid to farmers for producing food -- and in each of these countries the result over the last two years has been that food production has gone up.

In fact, continent-wide last year, if there had been proper distribution of the food I think there might well have been enough food for Africa herself to feed all her people. We had good weather, and that helped -- but clearly the pricing policies also played an important part in this increased production.

Incidentally, the government of Ethiopia has done absolutely nothing for its pricing policies and it's my fear that a crisis the magnitude of 1985 might well happen again.

The fact is, farmers all over the world respond the same: if they can make a profit by producing more, they will do it.

This is why A.I.D. has counseled governments to drop the old practice of holding food prices down so urbanites can have cheap food. Cheap food for city dwellers--who have political clout--often means that poor farmers don't get prices which encourage them to produce more food. There are other, better ways to get cheap food -- one is to help farmers produce more food at less cost per unit of production. Research and technology transfer are the tools, but that's the subject for a different speech.

A competitive, free-market agricultural system does a number of things:

First, it offers poor farmers a better chance for economic advancement than do subsidies.

Second, it results in greater levels of production. In other words, more food. Malawi, for example, had a food deficit in 1980-81. In 1981, the Government of Malawi announced a 35% increase in the price of corn. This policy change -- and some better rainfall -- led to record production in 1982.

Finally, according to John Mellor of the International Food and Policy Institute a dynamic growing agricultural sector can stimulate other sectors of the economy since, for example, farmers often use their larger income to buy agriculture implements and consumer goods from local producers.

This brings me to a third policy implication. If people do take initiative when they have a personal stake in a program, then it makes sense to have people--even people of very limited means--pay something - in cash or in kind - for what they get.

Let me give you program examples in the areas of housing, health care, and education.

Take housing. . .

I have been to housing conferences all over the world and have heard ministers say, "We have a terrible housing shortage. The only way we're going to solve it is to get 'x' million dollars so we can build those 'y' number of housing units."

The reality is that those houses are not going to be built by the government. They don't have the resources. And donor organizations and donor nations don't have the resources either.

This doesn't mean there aren't ways to help. There are ways to help poor people get decent housing without a government building the house and then giving it to them.

A program that has worked very well for A.I.D. is our Sites and Services program. Through it, we help communities plan the site of housing developments, then we put in the basic services, like sewer and water systems. The one thing we don't do is pay for, or subsidize, the cost of building of the homes. It becomes the individual's responsibility to come up with the money for a mortgage. Sometimes we will build a shell, but in all cases, people pay for what they get.

This Sites and Services program has been having a real impact on the availability of housing for the poor in developing nations. It's helping to turn housing ministers away from subsidized housing. Congress is also impressed by it. Another benefit is that it leaves governments and donors with more money to use on other development projects.

The point is, ownership brings pride, which stimulates the initiative to take care of, and improve upon, what you've got.

I remember talking to a man I had become friends with in the *barriada* in Lima, Peru, where I had worked when I was in the Peace Corps. He had very little money, but he had a solid, substantial house. I asked him how he did it, and he just smiled and tightened his belt.

So, yes, poor people will work very hard to get a house. They will push and pull, get friends and relatives to help, save a few dollars every month--and create for themselves a home.

I went back to my old *barriada* in Lima to find the house I lived in during the sixties. I couldn't. The area was so much improved that my house had disappeared into decency!

Or look at health care. . .

All over the Third World, free medicine has come to mean one thing -- no medicine.

Go to the slums of Dakar and the Sahel -- where is the free medicine? It has never gotten there. Governments can't deliver it. They don't have enough money, and they don't have the infrastructure that allows them to get these medicines to people who need them.

The reality, however, is that these poor people are paying for health care. It's a given. A mother in the Third World whose child is dying will do as much as she possibly can to save that child. She might not be paying for effective medicines, she may be paying a good deal of money to witch doctors or itinerant merchants called "black baggers," but she will pay for whatever she thinks will make her child well.

Let me tell you about a program in Senegal that does get medicine to poor people and at reasonable costs.

A.I.D. goes into a village and asks the village council to select a person to become that community's health care worker. That person is then given some basic medical training, medical supplies, and equipment. Then that person is sent back to the village to sell those medical services and medication. The health care worker then uses the funds received to buy more supplies and the system maintains itself. The program has been very successful. Medicine has been reaching people who need it.

The third area where we've had success in having people pay for what they get is education.

I remember being dropped by helicopter with some bags of grain into the Western Sudan in 1985 and coming upon a "school." It was an abandoned building. Clearly, it hadn't been used for years. The windows were broken. It wouldn't have fit anyone's definition of a school.

But you can bet that the central records of the Sudan Education Ministry counted this building as a school. I would wager that they even had a school teacher listed on their payroll!

My point is that keeping a school open and functioning requires a close devotion that a centralized body can't give. It's a devotion that comes best from the community -- and from parents whose children will be taught to read and write in those schools.

This includes taking financial responsibility for running the school. When parents pay for books, and repairs, and teaching salaries and they have some level of control over education -- the quality of education goes up.

I don't know about you, but I like the idea of using local taxes to pay part of a teacher's salary. Those of you who are educators yourselves know how picky people like me can get when it comes to getting our money's worth out of an education system.

Again, and I can't say this enough, people in developing countries are like us. When it's their money on the line, they are every bit as concerned about quality as we are.

As I said, I just got back from Kenya a few weeks ago. I was very gratified to hear that the Kenyan government now has a policy where parents have the responsibility for providing housing for the teacher. I think that's great. The community is involved, and it's one of the best ways to insure that a teacher shows up for class.

In summary, there are three reasons why A.I.D. thinks it's good policy to have people pay something for what they get.

- o First, people are more apt to value and use something if they have invested their own money into it. Again, this is human nature. The fact is, people don't value freebies the way they value something they have bought for themselves.
- o Second, by having people pay something for products like medicines, housing and schools it leaves more money for other development activities.

- o Third, the distribution system turns out to be more effective, more fair, and less likely to break down when people pay than when they get something for nothing.

And let me also sum up what I consider to be the main conditions for maximizing the individual initiative of people in developing countries.

- o The first is the recognition that people in the developing world are in fact rational economic decision-makers and will aggressively take advantage of opportunities to improve their lives. You can be sure they will take advantage of the credit program A.I.D. set up in the Dominican Republic to encourage bicycle production and repair and similar entrepreneurial activities.
- o The second is a free-market economy that allows people to get a fair market price for goods and services.
- o The third condition is that the monumental barriers of disease and illiteracy need to be rolled away. The best way to do this is through decentralization, community participation and financial contributions by the beneficiaries.

A.I.D. is helping to roll these barriers away.

For example, we are developing new technologies and transferring these technologies to the Third World. The money we have invested in a vaccine to inoculate people against the most harmful strains of malaria has been well spent. A promising vaccine is now being tested at the University of Maryland.

And the money we have been investing in the research and development of drought-tolerant seeds that can grow in sub-Saharan Africa will, I believe, pay off tremendously. Some new varieties have proven out in field tests in Sudan, Niger and other sub-Saharan countries. A Green Revolution in Africa is a possibility.

A.I.D. also has invested more than \$3 billion in family planning programs -- about half of which has come during the Reagan Administrations. Safe, effective contraceptives are now available in most parts of the Third World. We know that when contraceptives are available the number of abortions declines. We also know that spacing births at least two years apart saves the lives of mothers and babies. And as I said earlier, people are given

more control over their lives when family planning services are an option.

And A.I.D.'s investment in building up the institutions of developing nations also creates a launching pad for individual initiative. Building up educational systems and judicial systems and other systems creates a stable environment that allows people to begin to plan for the future.

Given the limited pool of development resources, there seems to me to be two paths an organization like A.I.D. could take:

The first is to spend your funds on projects that aim to remove barriers, operating on the fairly well-founded premise that once they are removed people will be able to significantly improve their own lives through cost effective pay-as-you-go strategies such as those I've outlined.

The second is to spend your funds in give-away programs such as free medicine and free housing. In this case you accept the fact that only a small percentage of the people will in fact benefit. What's more, you lock yourself into a continuous process of supporting the population of the Third World.

The second has been tried and doesn't work; the first is being tried, and we seem to be meeting with success.

This brings me to what I see to be a subtle reward of these development policies: What you really build by giving people control over their own lives, and letting them work through community and group initiatives, is participatory democracy.

I'm convinced that participation in development activities on a community level strengthens the democratic process on the national level. It not only strengthens it, but in countries where there is no democratic government, the seeds of democracy incubate.

A good example of this is in the Dominican Republic. For 400 years people in the Dominican Republic lived under various dictatorial regimes. Then there were a series of democratic elections -- and basically those elections worked -- and now the Dominican Republic has a working democracy.

The question that I asked myself was: How come democracy took hold so quickly in the Dominican Republic in the face of centuries of non-democratic regimes?

The answer, I think, is that below the dictatorships you had community activity that was, in effect, democracy at a community level.

One of the reasons I am truly optimistic about the permanence of democracy in Haiti is that Haiti also has a long history of individual and group participation at the community level. There are more than 700 private voluntary organizations and churches in Haiti. Development has been channeled through these organizations for years, and the fact that they have been managed by the Haitian people themselves for the most part makes me optimistic about long-lasting democracy in Haiti.

You see, governments aren't very good at discovering problems -- but people are. The democratic process, because it is a "people process" is very, very good at discovering problems. It's a process that lets people tell leaders what's wrong -- even tell political leaders what they as citizens are willing to pay to correct.

I have talked a great deal about the desire and ability of people in developing countries to make a better life for themselves. Let me conclude by letting one of these individuals speak for himself. I leave you with a poem I came across a few years ago written by a Costa Rican farmer. Some of you may have heard me recite it when I was here last time. The farmer writes:

I am the one who comes to the city once in a while...
I am the one who looks in awe at the city with an open mouth..
I am the one who struggles from sunrise to sunrise to bring
a better product to your table...
I am the one who thinks everyone has turned their back to me...
I am the one with calloused hands and a grieving spirit...
yet with the hope of a better tomorrow.
I don't know if my children will be able to continue their
education; they walk barefoot and sometimes cry from hunger.
My shack has a shattered roof, and my five children sleep in
the same uncovered bed.
But I dislike being called "poor peasant"
Even though I am a poor peasant.
I have pride and I am deeply human...and can show that I am
responsible...
Just give me the opportunity and I shall produce...
I shall produce a better tomorrow for my family and for my
country.

OUTLINE OF REMARKS
FOR
PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
BEFORE THE
HOUSE FOREIGN AFFAIRS COMMITTEE
FEBRUARY 24, 1987

- 0 MR. CHAIRMAN. . . IT'S GOOD TO BE HERE.

- 0 THIS COMMITTEE HAS ALWAYS BEEN SUPPORTIVE OF OUR FOREIGN ASSISTANCE PROGRAMS... GLAD TO HAVE OPPORTUNITY TO PRESENT TO YOU A.I.D.'s FY 1988 BUDGET.

- 0 LET ME REINFORCE WHAT SECRETARY SHULTZ HAS SAID:
 - FOREIGN ASSISTANCE IS VITAL TO U.S. SECURITY
 - POLITICAL STABILITY BRINGS ECONOMIC STABILITY:
 1. IN THE MIDDLE EAST
 2. IN AFRICA
 3. IN CENTRAL AMERICA

0 FOREIGN AID ALSO DIRECTLY BENEFITS U.S.:

- 40% OF U.S. EXPORTS ARE BOUGHT BY DEVELOPING COUNTRIES:

- IN 1983, DEVELOPING COUNTRIES ACCOUNTED FOR 50% OF U.S.

FEED AND GRAIN EXPORTS:

- ABOUT 70% OF U.S. BILATERAL FOREIGN ASSISTANCE SPENT ON

U.S. PRODUCTS AND SERVICES TO SUPPORT OVERSEAS DEVELOPMENT

PROGRAMS.

0 A.I.D. IS AWARE OF THE REALITY OF BUDGET CONSTRAINTS...

0 BUT CHALLENGE IS TO DEVELOP PROGRAMS TO MEET GROWING DEMANDS

AND NEW OPPORTUNITIES -- AND RETAIN ADEQUATE PROGRAM

FLEXIBILITY.

0 I BELIEVE OUR FY 1988 BUDGET REQUEST:

1. MEETS OUR COUNTRY'S FOREIGN POLICY AND DEVELOPMENT
OBJECTIVES.

2. IS ADEQUATELY FLEXIBLE FROM A PROGRAM STANDPOINT.

0 WANT TO FOCUS ON THREE PARTS OF OUR FY 1988 BUDGET REQUEST.

1. DEVELOPMENT FUND FOR AFRICA

2. 106 ACCOUNT

3. AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION

DEVELOPMENT FUND FOR AFRICA:

O EFFECTIVE FOREIGN AID TO THIS REGION IS CRITICAL. WE HAVE
MADE PROGRESS:

1. INCREASED LIFE EXPECTANCY:

2. DECREASED CHILD MORTALITY:

3. BECAUSE OF POLICY DISCUSSIONS, 15 AFRICAN COUNTRIES
ARE IN THE PROCESS OF PRIVATIZING GOVERNMENT-OWNED
ENTERPRISES:

4. 10 COUNTRIES HAVE DEVALUED CURRENCIES:

5. 16 COUNTRIES HAVE REDUCED GOVERNMENT EXPENDITURES AND
BUDGET DEFICITS.

O BUT CHALLENGES REMAIN. . .

1. DROUGHT
2. DECLINING REVENUES
3. INADEQUATE INFRASTRUCTURES
4. WEAK ECONOMIC POLICIES

O AFRICA'S UNIQUE PROBLEMS DEMAND A UNIQUE STRATEGY. . .

- NEED A POLICY THAT BALANCES ECONOMIC GROWTH WITH SPECIFIC PROGRAMS THAT MEET BASIC HUMAN NEEDS.

- EXAMPLE: NEED TO CONTINUE TO INVEST IN DEVELOPING A MALARIA VACCINE, BUT ALSO IN A FREE-MARKET HEALTH SYSTEM THAT WILL BE ABLE TO DELIVER THAT VACCINE TO PEOPLE WHO NEED IT.

- NEED TO STRESS PRIVATE SECTOR DEVELOPMENT AND POLICY REFORM IN CONJUNCTION WITH SPECIFIC PROGRAMS IN AGRICULTURE, HEALTH, POPULATION, EDUCATION, CHILD SURVIVAL, ENVIRONMENTAL ACTIVITIES.

0 HOW DO WE IMPLEMENT THIS APPROACH?

0 WE ARE PROPOSING TO:

- COMBINE DA FUNCTIONAL ACCOUNT RESOURCES FOR AFRICA -- INCLUDING SAHEL DEVELOPMENT PROGRAM AND OTHERS.

- THIS WILL ALLOW FOR MORE FLEXIBILITY IN PROGRAMMING AND MORE RAPID AND INTEGRATED RESPONSE TO DEVELOPMENT NEEDS.

0 PROPOSAL FOR DEVELOPMENT FUND GREW OUT OF:

- 15-AGENCY EXECUTIVE BRANCH REVIEW

- PROPOSAL ENDORSED BY U.N. GENERAL ASSEMBLY LAST MAY.

0 A.I.D. PROPOSES THAT THE FUND:

1. BE AS FLEXIBLE AS POSSIBLE

2. BE AVAILABLE ON A NO-YEAR BASIS

3. PROVIDE RESOURCES NEEDED IN FY 1988 AND BEYOND FOR
SOUTHERN AFRICA INITIATIVE PROPOSED FOR INITIAL FUNDING IN
FY 1987 SUPPLEMENTAL.

106 ACCOUNT

0 FIRST, A.I.D. IS PROPOSING TO CHANGE THE TITLE OF ACCOUNT FROM
"ENERGY, PRIVATE VOLUNTARY ORGANIZATIONS, AND SELECTED
DEVELOPMENT ACTIVITIES" TO "PRIVATE SECTOR, ENERGY, AND
PRIVATE VOLUNTARY ORGANIZATION."

0 ABOUT THE ACCOUNT...

0 PROJECTS AND PROGRAMS ARE DESIGNED TO SUPPORT:

1. PRIVATE ENTERPRISE DEVELOPMENT;
2. GOVERNMENT REFORM POLICIES;
3. ACTIVITIES OF PRIVATE AND VOLUNTARY ORGANIZATIONS AND
COOPERATIVES;
4. SCIENCE AND TECHNOLOGY EFFORTS;
5. HUMAN RIGHTS PROMOTION AND DEMOCRATIC INITIATIVES;
6. RESEARCH AND TECHNICAL ASSISTANCE, PARTICULARLY IN AREA OF
DEVELOPING ENERGY INFRASTRUCTURE.

o IN FY 1987:

- 106 ACCOUNT WAS 16% LOWER THAN FY 1986 LEVEL
- 35% LOWER THAN OUR REQUEST
- RESULT: WE CAN'T CARRY OUT MANY OF OUR NEW SMALL ENTERPRISE DEVELOPMENT INITIATIVES.

o OF OUR FY 1988 REQUEST:

- 40% OF FUNDS WILL BE DEVOTED TO PRIVATE ENTERPRISE.
- BECAUSE WE KNOW THESE VENTURES LEAD TO ECONOMIC GROWTH, EMPLOYMENT, AND GIVE POOR PEOPLE A CHANCE TO IMPROVE THEIR OWN LIVES.

AGRICULTURE, RURAL DEVELOPMENT AND NUTRITION

0 THIRD BUDGET AREA I'D LIKE TO TALK ABOUT IS THE ARDN ACCOUNT.

0 FOCUS IS ON:

1. INCREASING INCOMES OF RURAL POOR;
2. EXPANDING AVAILABILITY OF FOOD; WHILE
3. ENHANCING NATURAL RESOURCE BASE.

0 WE HAVE FOUND THAT INCREASING INCOME:

1. STIMULATES FOOD CONSUMPTION; AND
2. TRANSLATES INTO INCREASED DEMAND FOR IMPORTS.

0 SUCCESSES ACHIEVED IN:

- TAIWAN, MALAYSIA, SOUTH KOREA, BRAZIL...

- EXAMPLE: U.S. FARM SALES TO BRAZIL HAVE INCREASED AT AN AVERAGE RATE OF 8.7% FOR THE PAST 13 YEARS.

O A.I.D. IS VERY CONCERNED ABOUT NATURAL RESOURCE MANAGEMENT.

O CONCERNED ABOUT:

- PRESERVING GENETIC DIVERSITY;
- PROTECTING ENVIRONMENT;
- CONSERVING NATURAL RESOURCES.

CONCLUSION

O I BELIEVE OUR FY 1988 REQUEST WILL MAKE SIGNIFICANT PROGRESS
TOWARD MEETING OUR FOREIGN POLICY OBJECTIVES.

O I AM CONFIDENT THAT WE WILL BUILD UPON A TRULY AMAZING RECORD
OF ACHIEVEMENT.

0 OVER THE PAST 25 YEARS:

- CHILD MORTALITY HAS BEEN REDUCED BY ONE-HALF;
- SMALLPOX HAS BEEN ELIMINATED FROM THE WORLD;
- THE MAJORITY OF CHILDREN IN DEVELOPING COUNTRIES ENTER
PRIMARY SCHOOL;
- SAFE AND EFFECTIVE FAMILY PLANNING METHODS ARE AVAILABLE;
- LIFE EXPECTANCY HAS INCREASED 10-20 YEARS IN THE THIRD
WORLD;
- INDIA IS SELF-RELIANT IN GRAINS; AND
- THE GREEN REVOLUTION HAS BEGUN IN AFRICA.

0 FINALLY, I WANT TO CITE DATA ON FOUR AREAS OF ACHIEVEMENT TO WHICH A.I.D. HAS MADE A MAJOR CONTRIBUTION:

1. AGRICULTURAL PRODUCTIVITY IN AFRICA;
2. CHILD SURVIVAL;
3. USE OF VOLUNTARY FAMILY PLANNING SERVICES; AND
4. INCREASED INCOMES.

0 YOU HAVE ON YOUR DESKS SEVERAL GRAPHS ILLUSTRATING THIS PROGRESS.

0 THE FIRST SHOWS THE INCREASED AGRICULTURAL PRODUCTIVITY IN AFRICA.

0 THE SECOND SHOWS INCREASE IN IMMUNIZATION COVERAGE IN DEVELOPING COUNTRIES.

- O THE THIRD SHOWS THE INCREASES IN USE OF CONTRACEPTIVES IN FIVE DEVELOPING COUNTRIES WHERE A.I.D. HAS HAD MAJOR PROGRAMS.

- O THE FOURTH SHOWS INCREASES IN INCOMES IN DEVELOPING COUNTRIES.

- O THANK YOU MR. CHAIRMAN. I AM PLEASED TO BE HERE THIS MORNING AND I WILL NOW BE GLAD TO ANSWER ANY QUESTIONS YOU MIGHT HAVE.

3841K

TALKING POINTS
WELCOMING ADDRESS TO
CHIEFS OF REGIONAL HOUSING AND URBAN DEVELOPMENT OFFICES
MARCH 2, 1987 AT 10:00 A.M.
ROOM 1408 NS

- 0 IT'S GOOD TO BE HERE.

- 0 PETER HAD PLANNED TO BE HERE BUT REGRETTABLY HIS MOTHER IS IN THE HOSPITAL. HE FLEW BACK TO MICHIGAN TO BE WITH HER AND THE FAMILY.

- 0 THE LAST TIME YOU MET IN WASHINGTON WAS IN THE FALL OF 1985. AT THAT TIME, THE FUTURE OF THE HOUSING GUARANTY PROGRAM WAS UNCLEAR.

- 0 TODAY, AS YOU KNOW, WE HAVE THE HOUSING GUARANTY PROGRAM IN OUR FY 87 AND FY 88 BUDGETS.

- 0 WE HAVE \$145 MILLION IN THE FY 87 BUDGET.

O AND WE HAVE REQUESTED \$100 MILLION IN FY 88 TO FINANCE NEW HOUSING GUARANTY PROJECTS IN SEVEN COUNTRIES.

O IN FACT, THE HOUSING GUARANTY PROGRAM REACHED A MILESTONE RECENTLY -- \$2 BILLION IN LOAN GUARANTEE AUTHORITY.

- THIS IS A MARK OF THE DURABILITY OF THE PROGRAM.

- IT ALSO INDICATES THAT ALL OF YOU WHO ADMINISTER THIS PROGRAM HAVE BEEN ABLE TO ADAPT TO CHANGE.

O ONE THING THAT HASN'T CHANGED IN THE 20 YEARS SINCE THE PROGRAM STARTED IS THAT PEOPLE STILL WANT -- AND HAVE A RIGHT -- TO LIVE IN DECENT HOUSING.

O CONGRESS IS VERY SUPPORTIVE OF THE PROGRAM, IN PART BECAUSE THERE IS A LOT OF EVIDENCE THAT IT WORKS:

- IN THE MIDST OF UNPRECEDENTED URBANIZATION, SAFE AND AFFORDABLE HOUSING IS GETTING BUILT -- AND GOVERNMENTS AREN'T GOING BROKE IN THE PROCESS.

O I HAVE TO SAY THAT CONGRESS IS GRADUALLY BECOMING ENLIGHTENED ABOUT DEVELOPMENT ASSISTANCE.

- WE'RE MAKING HEADWAY IN EDUCATING MEMBERS ABOUT A.I.D.'S OVERALL DEVELOPMENT VISION.

- IT'S A VISION OF DEVELOPMENT THAT IS NOT BASED ON HOW MUCH WE CAN GIVE AWAY -- BUT HOW MUCH WE CAN INVOLVE POOR PEOPLE IN PROGRAMS THAT HELP THEM HELP THEMSELVES.

- 0 IT'S STILL HARD TO CONVINCING CONGRESS THAT THERE ARE STRATEGIES THAT WORK BETTER THAN GIVING THINGS AWAY. . .BUT WE'RE MAKING PROGRESS.

- 0 YOU CAN HELP MAKE THE CASE TO CONGRESS AND THE AMERICAN PUBLIC.

- 0 WE WANT TO HEAR ABOUT ANY SUCCESS STORIES YOU HAVE.

- 0 WE'D LIKE TO HEAR WHAT WORKS -- AND WHAT DOESN'T.

- 0 FOR EXAMPLE, ONE OF THE PREMISES OF THE SITES AND SERVICES PROGRAM, AND OF OTHER PRIVATE SECTOR INITIATIVES, IS THAT INDIVIDUALS WILL TAKE THE INITIATIVE TO IMPROVE THEIR OWN LIVES IF YOU GIVE THEM THE CHANCE.

- 0 IS THIS A LEGITIMATE PREMISE? DOES IT PLAY OUT IN YOUR EXPERIENCE?

O THERE ARE QUESTIONS THAT WE SHOULD BEGIN SUBSTANTIATING IN ORDER TO MAKE A STRONG CASE TO CONGRESS AND THE AMERICAN PUBLIC.

O LET ME CONCLUDE BY SAYING. . .

O DEVELOPMENT, I THINK, NEEDS TO MIMIC LIFE:

- ONE PART OF LIFE IS INTERTWINED WITH ANOTHER. . .

- SO, YOU WOULD EXPECT THAT DEVELOPMENT STRATEGIES NEED TO BE INTERTWINED -- AND, IN FACT, OVERLAPPING OF PROGRAMS IS BECOMING MORE AND MORE INEVITABLE.

O GIVEN THIS. . .

- 0 IT'S NOT ENOUGH FOR YOU JUST TO BE HOUSING AND URBAN DEVELOPMENT SPECIALISTS.

- 0 BECAUSE URBANIZATION IS RELATED TO CROP PRODUCTION, OR LACK OF IT.

- 0 AND CROP PRODUCTION IS RELATED TO HEALTH FACTORS. . . AND TO EDUCATION. . .AND TO GOVERNMENT POLICIES THAT EITHER ENCOURAGE OR DISCOURAGE PRODUCTION.

- 0 SO YOU NEED TO BE AGRICULTURAL AND RURAL DEVELOPMENT SPECIALISTS. . .

- 0 AND HEALTH AND CHILD SURVIVAL SPECIALISTS. . .

- O IT'S YOUR FAMILIARITY WITH THE BIG PICTURE -- WITH THE WHOLE HUMAN CONDITION -- THAT ALLOWS YOU TO SUCCEED AT THE SPECIFIC OBJECTIVE OF PROVIDING PEOPLE WITH ADEQUATE HOUSING.

- O WHEN YOU HELP INDIVIDUALS IN DEVELOPING COUNTRIES BUILD AND BUY THEIR OWN HOMES, YOU DO MORE THAN GIVE PEOPLE A PLACE TO LIVE. . .

- O YOU GIVE THEM SOMETHING THEY CAN BUILD A FUTURE AROUND.

- O YOUR EXPERTISE IS INVALUABLE, AND THE WORK YOU DO IS EXTREMELY IMPORTANT TO A.I.D.'S DEVELOPMENT PROGRAM.

- O THANK YOU.

(TAKE QUESTIONS FROM GROUP)

India's Strides in Development Highly Impressive; Innovative U.S. AID Activities Helping Millions

FILE



*M. Peter McPherson
Administrator
U.S. Agency for International
Development
Washington, D.C.*

I recently had the pleasure of visiting India and came away immensely impressed with the strides in development that have been made by the Indian people themselves.

Today, India has been able to achieve—and sustain—food self-sufficiency. Producing enough food to feed all her people is a continuing challenge, but India's agricultural output has been growing at a long-term rate of 2.5 per cent per year.

India's present situation can be traced to the Green Revolution that swept the country in the 1960s. It was a revolution of hope, successful because countless Indians worked hard to make it so. India's political leaders fashioned incentive-pricing policies for farmers. An international corps of scientists, many Indians among them, helped develop the "miracle" seeds of wheat and rice. India's industrial sector expanded production of fertilizers, and the Government of India eased price controls to allow these fertilizers to be sold on the open market.

Successful 'Green Revolution'

But it was the individual farmer who saw in the hybrid seeds a chance for greater crop yield and with it a better life. An unbridled willingness by subsistence-level farmers to try something new made the Green Revolution a success.

India's continued development depends on sustaining this courageous attitude toward change. In agriculture, this includes a recognition that previous investments in the sector have been too

focused on specific regions and crops, to the neglect of rainfed and dryland areas that support the majority of India's poor population.

Good Industrial Base

India is now trying to duplicate in industry its outstanding achievements in agriculture. Blessed with an industrial base which few developing countries enjoy, industry in recent years has been growing at a steady 5 per cent to 6 per cent rate per year. However, there is increasing recognition that much of industry is not reaching its full potential. Steps have been taken recently to boost industrial development. Market forces are being allowed to work more freely and the private sector is being given more freedom in what it can produce and sell. Private enterprise is being encouraged more than ever.

India also has made great progress in developing its institutional and human resource base. It has the third largest pool of scientists and technologists in the world, which has strengthened its capacity to confront development problems at both the policy and implementation levels.

A.I.D. Helping India

The United States Agency for International Development (A.I.D.) has been helping India build on its sophisticated technological and institutional base. A.I.D. resources are directed at building linkages between India's Government, university, and private enterprise communities.

A.I.D. continues to work with Indians to improve agricultural productivity and increase rural incomes. Child survival programs and programs that upgrade the health and nutrition of mothers and children continue to be an A.I.D. priority.

There are many innovative A.I.D. activities going on in India, and many in the works.

The Program for the Advancement of Commercial Technology (PACT) is a flagship effort by the Industrial Credit and Investment Corporation of India Limited (ICICI) to stimulate industrial research and development in India. Project funds will be used by ICICI to promote joint Indo-American industrial research and

development by providing Indian enterprises access to venture loan capital.

A new Energy Resources and Enterprise project is expected to be signed in U.S. Fiscal Year 1987, and should stimulate private sector involvement in research and technology development.

I am truly excited by India's rate of development. It is a marvelous thing to witness a nation forging greater opportunity for all its people.

M. Peter McPherson was appointed Administrator of the Agency for International Development by President Ronald Reagan in 1981. A former Peace Corps volunteer, Mr. McPherson directs the U.S. foreign economic assistance program in more than 70 less-developed countries.

He has served on the White House staff under Presidents Ford and Reagan and is currently Chairman of the Board of the Overseas Private Investment Corporation (OPIC).

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NEW DELHI—International Business Centre of New Delhi, a division of Uday Management Services Private Limited, is offering a "one window concept" in the form of a comprehensive range of business services and facilities to meet all the business needs of domestic and international business executives/companies.

These services to be provided in New Delhi include business consultancy, office/conference facilities and office support services, including a full line of modern business equipment—all under one roof—which can be tailored to suit the needs of businessmen and firms.

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TALKING POINTS
FOR PETER MCPHERSON
AT
CENTRAL AMERICAN INITIATIVE
PRESS CONFERENCE
MARCH 3, 1987

- O WANT TO TALK ABOUT THE REPORT WE JUST SENT TO CONGRESS

CALLING FOR FULL FUNDING

OF THE CENTRAL AMERICAN INITIATIVE.

- O AS YOU KNOW, THE INITIATIVE IS DESIGNED TO CARRY OUT

RECOMMENDATIONS MADE BY NATIONAL BIPARTISAN COMMISSION ON

CENTRAL AMERICA.

- CHAIRED BY HENRY KISSINGER

- O THE INITIATIVE ITSELF DRIVES HOME TWO POINTS:

1. THERE ARE NO EASY GAME-SHOW RULES

FOR DEVELOPMENT IN THE 1980S.

2. THERE ARE NO SIMPLE ANSWERS

TO THE COMPLEX PROBLEMS OF CENTRAL AMERICA.

O INITIATIVE IS BASED ON THE PREMISE THAT:

- ECONOMIC GROWTH ALONE IS NOT ENOUGH TO PUT
CENTRAL AMERICANS ON ROAD TO BETTER LIVES.

- YOU NEED TO ROLL AWAY BARRIERS THAT STAND IN THE WAY
OF SOCIAL AND ECONOMIC OPPORTUNITY.

- BARRIERS LIKE:

1. INADEQUATE EMPLOYMENT OPPORTUNITES

2. ILLITERACY

3. LACK OF FAMILY PLANNING PROGRAMS

4. POOR HEALTH CARE

O PROUD TO REPORT THAT SIGNIFICANT PROGRESS IN THESE AREAS HAS BEEN MADE.

O IN THE PAST THREE YEARS:

- INFANT MORTALITY IS DOWN BY 7%;

- PRIMARY SCHOOL ENROLLMENT IS UP BY 260,000 STUDENTS, OR 9%;

- USE OF MODERN FAMILY PLANNING TECHNIQUES IS UP MORE THAN 10%; AND

- NEARLY 3,500 CENTRAL AMERICAN STUDENTS HAVE ALREADY BEGUN TRAINING IN THE UNITED STATES.

O SO WE ARE ON THE WAY TO SPREADING THE BENEFITS OF ECONOMIC GROWTH.

0 NOW LET ME SUMMARIZE FOR YOU THE OTHER MAIN FINDINGS
OF THE REPORT IN THE AREAS OF:

1. DEMOCRACY BUILDING
2. ECONOMIC STABILIZATION, AND
3. LONG-TERM GROWTH.

0 DEMOCRACY BUILDING. . .

0 PROGRESS IN AREA OF STRENGTHENING DEMOCRATIC INSTITUTIONS
HAS EXCEEDED OUR EXPECTATIONS.

1. DEMOCRATIC GOVERNMENTS

HAVE REPLACED MILITARY GOVERNMENTS IN

SALVADOR AND

GUATEMALA.

2. HONDURAS MADE A SUCCESSFUL
TRANSITION FROM ONE DEMOCRATICALLY-ELECTED
GOVERNMENT TO ANOTHER --
FOR THE FIRST TIME IN 20 YEARS.

3. COSTA RICA HAS HAD ENOUGH SUCCESSFUL ELECTIONS
TO PROVE TO PEOPLE THAT DEMOCRACY IS NOT A FLUKE.

4. SAME IN BELIZE.

0 ALSO. . .

1. SUBSTANTIAL HUMAN RIGHTS IMPROVEMENTS HAVE BEEN MADE
THROUGHOUT CENTRAL AMERICA;

2. POLITICALLY-MOTIVATED VIOLENCE HAS BEEN REDUCED;
AND

3. JUDICIAL SYSTEMS HAVE BEEN STRENGTHENED.

0 MOVING TO THE AREA OF ECONOMIC STABILIZATION AND GROWTH...

0 BIG IMPROVEMENTS WHEN COMPARED WITH
PRE-INITIATIVE, OR PRE-1984 SITUATION:

1. REGION'S GNP GREW BY 4.3% BETWEEN 1984 AND 1986--
COMPARED WITH MINUS 3.9%
BETWEEN 1981 AND 1983.

2. \$440 MILLION IN PRIVATE CAPITAL
FLOWED INTO REGION BETWEEN 1984 AND 1986--
COMPARED TO A NET OUTFLOW
OF \$520 BILLION BETWEEN 1981 AND 1983.

3. DOMESTIC PRIVATE INVESTMENT FELL
EVERY YEAR FROM 1978 TO 1983--
BUT HAS RISEN EVERY YEAR FROM 1984 TO 1986.

4. NON-TRADITIONAL EXPORTS HAVE GROWN BY
35% BETWEEN 1984 AND 1986--
BETWEEN 1981 AND 1983 THEY FELL BY 12%.

O PROGRESS IS BEING MADE,

HOWEVER...

- REGION CONTINUES TO SUFFER LOW PRICES
FOR COFFEE, SUGAR,
COTTON, BEEF AND BANANAS.

- FRANKLY, A.I.D. AND THE NBCCA HAD
HOPED PROGRESS WOULD BE
EVEN MORE RAPID.

0 FOUR REASONS FOR CENTRAL AMERICA'S

ECONOMIC RHEUMATISM:

1. LOWER THAN EXPECTED PRICES
FOR CENTRAL AMERICA'S MAJOR EXPORTS;

2. CONTINUED MILITARY CONFLICT IN THE REGION,
WHICH HAS REDUCED INVESTMENT; *And made development
in general very
← difficult.*

3. LOWER THAN PLANNED LEVELS
OF U.S. ECONOMIC ASSISTANCE,
AND OF CAPITAL FROM OTHER SOURCES, TO THE REGION; AND

4. SLOWER THAN ANTICIPATED ACTION BY THE REGION'S GOVERNMENTS
TO IMPROVE ECONOMIC POLICIES
TO LAY FOUNDATION FOR SUSTAINED GROWTH.

O WE BELIEVE THAT THE DEVELOPMENT POLICIES AND PROGRAMS IN
CENTRAL AMERICA ARE WORKING...

O BUT THEY TAKE TIME --
AND CONTINUED COMMITMENT BY THE UNITED STATES.

O BRINGS ME TO THE PRESIDENT'S PROPOSAL THAT
THE CENTRAL AMERICAN INITIATIVE BE EXTENDED
FROM ORIGINAL DATE OF 1989 TO 1992...

O THIS IS CONSISTENT WITH THE COMMISSION'S REPORT--
WHICH SAID A SEVEN-YEAR PROGRAM WAS NEEDED.

O WHAT DOES THIS MEAN IN TERMS OF FUNDING?

1. MOST OF THE ASSISTANCE THROUGH 1992 CAN BE MET
WITHIN THE ORIGINAL \$6.4 BILLION BUDGET.

2. BUT LONGER TIME FRAME AND CONDITIONS MORE ADVERSE
THAN ANTICIPATED REQUIRE
AN INCREASE OF \$500 MILLION TO ACHIEVE
PROGRAM OBJECTIVES.

0 FACT IS:

- ACTUAL FUNDING FOR INITIATIVE HAS CONSISTENTLY FALLEN SHORT
OF RECOMMENDED LEVELS;

- SHORTFALL THROUGH END OF FY 1987 IS EXPECTED TO EXCEED
\$1 BILLION.

O TO PARTIALLY MAKE UP FOR SHORTFALL - ENOUGH
TO CONTINUE TO MAKE STRIDES IN DEVELOPMENT -
WE ARE REQUESTING:

- AN ADDITIONAL \$300 MILLION FOR ECONOMIC ASSISTANCE --
\$100 MILLION OF WHICH WOULD GO
FOR EARTHQUAKE REHABILITATION IN EL SALVADOR.

O WE BELIEVE THIS FUNDING PROPOSAL IS IN LINE
WITH CONGRESSIONAL OBJECTIVES IN CENTRAL AMERICA.

O WE LOOK FORWARD TO WORKING THROUGH THE
DETAILS OF THIS PROGRAM WITH CONGRESS.

O IN SUM...

O WE BELIEVE THE CENTRAL AMERICAN COMMISSION'S RECOMMENDATIONS
ARE SOUND AND ACHIEVABLE;

O PROGRESS IS BEING MADE TO IMPROVE PEOPLE'S LIVES.

O WE BELIEVE OUR FUNDING RECOMMENDATION WILL:

1. CONTINUE TO BUILD DEMOCRATIC INSTITUTIONS;
2. PROVIDE A MORE SOLID ECONOMIC BASE;
3. LEAD TO GREATER SOCIAL EQUALITY.

O WE BELIEVE THE AMERICAN PEOPLE SHARE THESE GOALS

3864K

H 3

TALKING POINTS FOR
PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
CHRISTIAN SCIENCE MONITOR INTERVIEW: HAITI
MONDAY, MARCH 9, 1987

O I'M OPTIMISTIC ABOUT DEVELOPMENT AND DEMOCRACY IN
HAITI. . .

O OPTIMISTIC BECAUSE OF HAITI'S HISTORY OF COMMUNITY
INVOLVEMENT AND VOLUNTARY AND NON-GOVERNMENTAL OUTREACH.

O IN 1986, PVO S AND OTHER NON-GOVERNMENTAL ORGANIZATIONS
CARRIED OUT MORE THAN 45% OF MISSION'S TOTAL PROGRAMS. . .

O PROGRAMS INCLUDE:

--HEALTH CARE PROGRAMS;

--SCHOOL FEEDING PROGRAMS

--FOOD-FOR-WORK PROGRAMS;

O IN FY 1987, VOLUNTARY AGENCIES WILL DISTRIBUTE ABOUT
\$7 MILLION OF TITLE II COMMODITIES.

O STILL, HAITI POSES BIG DEVELOPMENT CHALLENGES:

- UNEMPLOYMENT IS ABOUT 48%
- 80% OF HAITIANS ARE ILLITERATE
- POPULATION PRESSURES
- SOIL EROSION AND POOR SOIL FERTILITY
- MALARIA AND OTHER HEALTH PROBLEMS
- LACK OF FOOD

O A.I.D. RESPONSE:

- BUDGETING \$100 MILLION IN FY 87
- UP FROM \$78 MILLION IN FY 86

O SOME STRATEGIES INCLUDE:

- INCREASING EMPLOYMENT BY INCREASING CREDIT LEVELS
TO MICRO, SMALL, AND MEDIUM-SIZE BUSINESSES;

--RAISING INCOMES BY CONTINUE PROMOTION OF
NON-TRADITIONAL EXPORTS;

--IMPROVING HEALTH STATUS BY ENCOURAGING
DECENTRALIZATION OF MINISTRY OF HEALTH AND ENCOURAGING
COLLABORATION BETWEEN PUBLIC/PRIVATE HEALTH
ORGANIZATIONS;

-- GIVING PEOPLE MORE CONTROL OVER THEIR LIVES THROUGH
FAMILY PLANNING SERVICES, AND MOBILIZING PVO AND PRIVATE
SECTOR TO DELIVER THESE SERVICES.

--IMPROVING EDUCATION BY SUPPORTING GOVERNMENT OF HAITI'S
EDUCATION REFORM PLAN AND BY INVOLVING PRIVATE ~~EDUCATION~~
EDUCATION SECTOR ESPECIALLY IN AREA OF PRIMARY EDUCATION.

Remember:
Peter is #5 man.
put #s in and clear
them.

PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
AT
CHILD SURVIVAL BRIEFING
MARCH 16, 1987

get totals for:

1986
1287
1788

\$150 -

about
100 sum.
Per 88 -
88

o THANK YOU FOR COMING.

A.I.D. IS PROUD TO PRESENT TO YOU

ITS SECOND REPORT TO Congress

ON CHILD SURVIVAL PROGRAMS.

o YOUR PRESENCE IS A TESTIMONY

OF YOUR COMMITMENT TO SAVING THE LIVES

OF INFANTS AND CHILDREN AROUND THE WORLD.

Pam Johnson

o CHILD SURVIVAL IS ONE OF A.I.D.'S HIGHEST PRIORITIES.

-- A.I.D. HAS CHILD SURVIVAL ACTIVITIES

IN MORE THAN 50 COUNTRIES.

In 1986 A.I.D. budgeted \$150 mill. for
child survival activities and there is only a
few more available for 1987 and 1988.

8B

-2-

In this
O A.I.D.'S GOAL

IS TO HELP REDUCE THE INFANT MORTALITY RATE

TO BELOW 75 FOR EVERY 1,000 INFANTS BORN. *Let me repeat that statement: _____.*

Said in Q+A.
O THAT'S A REALISTIC GOAL

WHICH WOULD SAVE TWENTY-FIVE PERCENT MORE LIVES THAN ARE CURRENTLY BEING SAVED.

~~O NOTHING IS STRONGER THAN PEOPLE'S CONCERN FOR THEIR CHILDREN.~~

~~THIS CONCERN HAS EVEN BEEN KNOWN TO STOP WARS.~~

referenced
O (HOLD UP NEW YORK TIMES ARTICLE)

↓
O I'VE GOT AN ARTICLE WHOSE HEADLINE READS:

"IMMUNIZATION TRUCE INTERRUPTS SALVADOR WAR."

O IT'S AN AMAZING STORY

ABOUT A NATIONAL DAY OF TRANQUILLITY.

O ALL GUNS WERE PUT DOWN --

SO PARENTS COULD BRING THEIR CHILDREN
TO IMMUNIZATION CENTERS.

O IN FACT,

EL SALVADOR HAS HAD A NUMBER OF DAYS OF TRANQUILLITY.

THIS WAS ENOUGH TO IMMUNIZE
THE MAJORITY OF ITS CHILDREN.

O I WANT TO TALK BRIEFLY

ABOUT TWO AREAS OF CHILD SURVIVAL:

1. IMMUNIZATION; AND

2. ORAL REHYDRATION THERAPY -- ORT

O THEY ARE THE "TWIN ENGINES"
OF OUR CHILD SURVIVAL AID.

O FIRST, IMMUNIZATION.

O ~~STRONG CONGRESSIONAL SUPPORT. . .~~

*3. 5 million children die each year from
diseases that we can minimize -- measles, pertussis,
polio etc.*

O LAST YEAR, MORE THAN 300 MEMBERS *strongly*

CO-SPONSORED LEGISLATION

CALLING FOR UNIVERSAL IMMUNIZATION OF CHILDREN.

O A.I.D.'S OBJECTIVE IS THE GOAL
OF FULL IMMUNIZATION OF 80 PERCENT OF CHILDREN
IN A.I.D.-FUNDED COUNTRIES --
AND KEEP UP THAT LEVEL.

O LET ME GIVE YOU A FEW SUCCESS STORIES:

O IN HONDURAS,
~~child targeted~~
90% OF POPULATION HAS BEEN VACCINATED AGAINST POLIO
AND ^{children}
80% AGAINST MEASLES, DIPHTHERIA, AND WHOOPING COUGH.

In Ecuador - 80%

O IN ZAIRE, *40%* *of kids immunized against the major childhood diseases*
MEASLES IMMUNIZATION
INCREASED 24% EACH YEAR
FOR THE PAST THREE YEARS.

Handwritten scribble

O LET ME ALSO TALK ABOUT SOME OF THE DIFFICULTIES
IN GETTING PEOPLE IMMUNIZED
IN DEVELOPING NATIONS.

48%

O EVERY DAY WE TRY TO WIN
A DIFFERENT KIND OF COLD WAR.
THIS IS A WAR TO KEEP VACCINES COLD,
FROM THE TIME THE VACCINE IS PRODUCED
TO THE TIME IT GOES INTO THE ARMS OF A BABY.

O NOW LET ME TALK ABOUT ORT.

O WHAT IS IT? . . . *Simple mix*

O BETWEEN 3 AND 4 MILLION CHILDREN DIE EACH YEAR
FROM DEHYDRATION
CAUSED BY DIARRHEAL DISEASE.

O A.I.D.'s OBJECTIVE:

- we've fallen lead - 2 coffins,
--TO MAKE ORT UNIVERSALLY AVAILABLE
100 countries participated
IN A.I.D.-FUNDED COUNTRIES.

*22 countries -
about 2/3 rds
of CDC's total
AID work is*

O A.I.D. SPENT \$36 MILLION LAST YEAR ON ORT --
for each.
THAT'S ABOUT 15 CENTS PER AMERICAN

-- THAT'S ABOUT AS MUCH AS THIS GLASS OF GATOR-ADE

(HOLD UP GLASS)

O HOW ARE WE GETTING ORT TO PEOPLE?

-- PRIVATE SECTOR INVOLVEMENT. . .

-- USING MASS COMMUNICATION TO PROMOTE ORT. . .

-- ORT IS CREDITED WITH SAVING THE LIVES OF HALF A
MILLION CHILDREN EACH YEAR.

*Use me
#5*

INTRODUCTION OF MEMBERS WHO WILL BE SPEAKING

0 NOW I WANT TO INTRODUCE A GROUP OF PEOPLE
WHO HAVE MADE THE CAUSE
OF SAVING CHILDREN'S LIVES
THEIR PERSONAL PRIORITY:

--SENATOR BOB KASTEN, FOREIGN OPERATIONS SUBCOMMITTEE

--CONGRESSMAN CHRIS SMITH, HFAC

--CONGRESSMAN DOUG BEREUTER, HFAC

--CONGRESSMAN MICKEY EDWARDS, HFAC

MIXING CEREMONY AND TOAST

O NOW I WANT TO ASK THE MEMBERS OF CONGRESS
TO COME UP HERE AND
HELP ME MIX THIS "ELIXER OF LIFE."

(TABLE WILL BE SET UP WITH PRE-MEASURED PITCHERS OF
WATER, GLASSES AND ORT. . .

YOU SHOW MEMBERS HOW TO MIX SALTS,
THEN ASK THEM TO DO IT.)

O NOW I'D LIKE TO PROPOSE A TOAST. . .

O (RAISE GLASS OF ORT)

TO A WORLD

WHERE EVERY CHILD

HAS A FIGHTING CHANCE TO LIVE --

AND LIVE IN GOOD HEALTH!

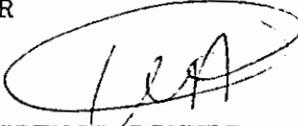
O THANK YOU, ALL. AND PLEASE COME UP AND MIX

THE ORT RECIPE OF LIFE.

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20523

ASSISTANT
ADMINISTRATOR

BRIEFING MEMORANDUM FOR THE ADMINISTRATOR

FROM: WILLIAM ANTHONY, ACTING AA/XA 
SUBJECT: INTERNATIONAL DEVELOPMENT CONFERENCE DINNER

Date: Wednesday, March 18
Time: 7:30 p.m.
Location: Washington Convention Center
9th Street entrance
Accompanied By: Pete Chandler, XA

You are scheduled to host the 35th anniversary International Development Conference (IDC) dinner, which is part of the IDC's three day conference. The IDC has served since 1952 as a platform for American organizations and individuals concerned with worldwide development. The conference is a forum for exchange of experience, information and ideas from a wide range of perspectives.

This years conference theme is: "The U.S. and the Third World: Continuing Commitment? Future Policies?". Attendees and speakers will discuss the current contradictions in the U.S. commitment and policies toward the Third World. The conference is well timed to raise issues for consideration during the 1988 election year.

Your audience at the evening session will be approximately 300 individuals including: Ambassadors; members of the Aga Khan Foundation; and public and private sectors representatives. His Highness, The Aga Khan, will be the keynote speaker. His topic will be "The Enabling Environment."

As host you will:

- o give a general welcome to the guests;
- o introduce the head table and the Invocator, Thomas Keehn;
- o after dinner, introduce Andrew Rice, President of the IDC, who will present an award to Bradford Morse;
- o after the award you will have an opportunity to give brief remarks on development, and introduce The Aga Khan;
- o after The Aga Khan you will thank the audience and dismiss them.

Attached is a script of remarks for the evening and an agenda of the conference.

Clearance: CSteuart:XA/PL 
Drafted By: MDMengebier:XA/PL:doc#41061:7-4213

7:00 PM
VIP LOUNGE

MASTER OF CEREMONIES SCRIPT
FOR
PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
INTERNATIONAL DEVELOPMENT CONFERENCE
WEDNESDAY, MARCH 18TH, 1987

(YOU WILL BE GIVEN A ONE-LINE INTRODUCTION)

O LADIES AND GENTLEMEN,

WELCOME -- OR WELCOME BACK --

TO THE 1987 INTERNATIONAL DEVELOPMENT CONFERENCE.

O AT THIS TIME,

IT IS MY PLEASURE TO INTRODUCE

THE HEAD TABLE

FOR THIS EVENING'S PROGRAM.

1. THOMAS B. KEEHN,

SENIOR CONSULTANT,

INTERACTION

2. SHAH-FEEK LAHD-HA.

CHAIRMAN.

NATIONAL COMMITTEE.

AGA KHAN FOUNDATION

3. VIVIAN L. DERRYCK,

NATIONAL DEMOCRATIC INSTITUTE

FOR INTERNATIONAL AFFAIRS

4. SAMUEL BUNKER,

CHAIRMAN,

INTERNATIONAL DEVELOPMENT CONFERENCE

5. JOSÉ LUIS FERNANDES LOPEZ,

AMBASSADOR, CAPE VERDE;

DEAN, AFRICAN DIPLOMATIC CORPS

11. EVELYN COOPER.

INTERNATIONAL DEVELOPMENT CONFERENCE

12. IK-BAL NOOR ALI.

AGA KHAN FOUNDATION

13. NAZ-EER AHMAD.

OVERSEAS DEVELOPMENT NETWORK

O LADIES AND GENTLEMEN.

YOUR HEAD TABLE.

O NOW, I WOULD LIKE TO INTRODUCE

OUR INVOCATOR FOR THIS EVENING:

A GRADUATE OF UNION THEOLOGICAL SEMINARY. . .

AND SENIOR CONSULTANT

FOR INTERACTION. . .

THOMAS B. KEEHN

(INVOCATION AND DINNER)

O WE ARE NOW READY TO BEGIN THIS EVENING'S PROGRAM.

O IT IS A PERSONAL PLEASURE

FOR ME TO BE HERE.

THE INTERNATIONAL DEVELOPMENT CONFERENCE

IS A UNIQUE FORUM.

IT HAS BEEN AN ASSET --

A VERY BIG ASSET --

TO THE INTERNATIONAL DEVELOPMENT COMMUNITY

FOR 35 YEARS.

O I UNDERSTAND, BY THE WAY,

THAT THERE IS A

GOOD TURNOUT OF STUDENTS

AT THIS CONFERENCE.

LET ME EXTEND A SPECIAL WELCOME TO YOU.

O IF THERE'S ONE THING I'VE LEARNED,
IT'S THAT NO ORGANIZATION,
OR AGE GROUP,
HAS A MONOPOLY ON DEVELOPMENT IDEAS.

(INTRODUCTION OF ANDREW RICE)

O SPEAKING OF IDEAS,
THE GENTLEMAN I AM ABOUT TO INTRODUCE
HAS HAD MORE THAN THE AVERAGE NUMBER
OF GOOD ONES --
PARTICULARLY IN THE AREA OF DEVELOPMENT.

O HE IS WORTH GETTING TO KNOW
FOR A NUMBER OF REASONS.

O FIRST,

BECAUSE HE IS A SCHOLAR.

HE HAS ADVANCED DEGREES FROM HARVARD

AND SYRACUSE.

ALSO,

HE CURRENTLY EDITS A VALUABLE QUARTERLY NEWSLETTER CALLED

IDEAS AND INFORMATION ABOUT DEVELOPMENT EDUCATION.

O SECOND,

BECAUSE HE IS A LEADER.

HE IS THE PRESIDENT OF

THE INTERNATIONAL DEVELOPMENT CONFERENCE.

AND DESERVES MUCH OF THE CREDIT FOR ORGANIZING

THIS AMBITIOUS

AND VITAL

GATHERING.

O THIRD,

BECAUSE HE IS ALSO

A VERY CARING MAN.

HE UNDERSTANDS THAT DEVELOPMENT

IS ABOUT PEOPLE.

O LADIES AND GENTLEMEN,

JIM RICE.

(JIM RICE INTRODUCES BRAD MORSE, AND PRESENTS HIM WITH
AN IDC AWARD)

(BRIEF REMARKS ABOUT DEVELOPMENT AND INTRODUCTION OF HIS
HIGHNESS, THE AGA KHAN)

O CONGRATULATIONS BRAD.

(TO AUDIENCE)

BRAD ALSO WAS THE RECIPIENT

A FEW WEEKS AGO OF A.I.D.'S

"HUMANITARIAN SERVICES AWARD."

FOR THE LEADERSHIP HE AND

THE U.N. OFFICE OF EMERGENCY OPERATIONS FOR AFRICA

SHOWED DURING THE AFRICAN FAMINE.

(PAUSE)

O THE CONFERENCE THEME,

AS YOU KNOW,

IS IN FACT A SERIES OF QUESTIONS:

"THE UNITED STATES AND THE THIRD WORLD:

CONTINUING COMMITMENT?

FUTURE POLICIES?"

O THE QUESTIONING TONE OF THIS CONFERENCE REFLECTS

A NATIONWIDE --

EVEN INTERNATIONAL --

QUESTIONING ABOUT

THE ROLE OF DEVELOPMENT IN THE 1980s.

O DEVELOPMENT IS BEING SCRUTINIZED:

- BY MEMBERS OF CONGRESS

- BY THE AMERICAN PEOPLE

- BY THE PEOPLE OF DEVELOPING NATIONS

- AND BY THOSE OF US IN THE DEVELOPMENT FIELD.

O I'VE SAID IT BEFORE:

NO ONE HAS A MONOPOLY ON DEVELOPMENT WISDOM.

BUT WE ARE NOW AT THE STAGE OF BEING ABLE

TO DETERMINE,

AT LEAST TO SOME DEGREE,

WHAT DEVELOPMENT PRACTICES WORK,

AND WHAT PRACTICES DO NOT.

O FOR EXAMPLE,

A GUIDING PHILOSOPHY AT A.I.D. IS THAT PEOPLE

IN DEVELOPING COUNTRIES RESPOND BEST

TO PROGRAMS THAT GET THEM PERSONALLY INVOLVED

IN THEIR OWN DEVELOPMENT.

O IT HAS BEEN A.I.D.'S EXPERIENCE THAT

GIVE-AWAY PROGRAMS SIMPLY DON'T WORK.

O FIRST, GIVING ASSISTANCE AWAY IS VERY
COSTLY.

O REALITY IS THAT
DONORS DON'T HAVE ENOUGH MONEY
TO FUND ALL THE HOMES THAT NEED BUILDING. . .
OR ALL THE HEALTH CARE THAT NEEDS TO BE PROVIDED.

O AND THE GOVERNMENTS OF DEVELOPING NATIONS DON'T
EITHER. . .

O SECOND, THESE PROGRAMS JUST AREN'T VERY EQUITABLE.

-- EXAMPLE: FOOD SUBSIDIES HURT THE FARMERS,
WHO END UP IN WORSE POVERTY THAN BEFORE
SUBSIDIES.

O THE BEST PROGRAMS:

1. GIVE PEOPLE A STAKE

IN THEIR OWN DEVELOPMENT.

2. ALLOW INDIVIDUALS TO BE

RESPONSIBLE FOR MAKING THEIR OWN

ECONOMIC DECISIONS.

O EXAMPLE: TREE PLANTING IN HAITI --

PEOPLE DON'T CUT DOWN THEIR OWN TREES. . . .

(INTRODUCTION OF THE AGA KHAN)

O THE MAN I WANT TO INTRODUCE NOW

IS EXTRAORDINARILY CAPABLE OF

LEADING PEOPLE

TO THEIR ULTIMATE POTENTIAL.

O OUR SPEAKER IS THE
SPIRITUAL LEADER --
THE IMAM --
TO 15 MILLION PEOPLE,
IN MORE THAN 25 COUNTRIES.

O BUT HE IS ALSO A LEADER
IN THE FIELD OF DEVELOPMENT.

O ALTHOUGH HE HAS STUDIED AT HARVARD,
HE WILL NOT BE SPEAKING TO US
AS AN ACADEMIC.

O HE WILL BE SPEAKING TO US AS A
DEVELOPMENT PRACTITIONER.

O FOR MORE THAN 30 YEARS,

OUR SPEAKER --

HIS HIGHNESS THE AGA KHAN --

HAS WORKED TO

IMPROVE THE STANDARDS OF LIVING

OF THOSE UNDER HIS SPIRITUAL CARE.

O TODAY,

THE AGA KHAN HEADS ONE OF THE LARGEST,

AND MOST DIVERSE,

PRIVATE DEVELOPMENT NETWORKS

IN THE WORLD.

O IN FACT,

A.I.D. HAS PROVIDED A MATCHING GRANT (\$1 MILLION)

TO HELP FUND A MODEL

RURAL SUPPORT PROJECT IN PAKISTAN.

O THIS PROJECT IS BASED ON THE PREMISE
OF INDIVIDUAL INVOLVEMENT,
AND INDIVIDUAL INITIATIVE.

O I'M SURE OUR SPEAKER WILL TALK
ABOUT IT.

- IT IS TURNING THE ECONOMY
OF THESE VILLAGES AROUND.

- IT IS BUILDING UP THE INFRASTRUCTURE.

- AT THE SAME TIME,

IT IS ALSO BUILDING A GRASS ROOTS

PARTICIPATORY DEMOCRACY --

BECAUSE EVERYONE IN THESE COMMUNITIES

HAS BECOME PART OF THE DECISION-MAKING PROCESS.

TALKING POINTS FOR
PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
TO THE ADVISORY COMMITTEE ON VOLUNTARY FOREIGN AID
OLD EBBIT GRILL
MARCH 25, 1987

O PLEASURE TO BE HERE. . .

O I AM PARTICULARLY PLEASED TO WELCOME TWO NEW MEMBERS:

-NANCY REYNOLDS; AND

-JIM O'CONNOR

O LET ME TELL YOU A LITTLE ABOUT BOTH OF THEM:

O NANCY SERVED AS U.S. REPRESENTATIVE

TO THE U.N. COMMISSION ON THE STATUS OF WOMEN,

AND

AS CO-CHAIR OF THE U.S. DELEGATION

TO THE U.N. DECADE FOR WOMEN, WORLD CONFERENCE IN NAIROBI

O SO, NANCY WILL ADD A VERY IMPORTANT PERSPECTIVE

TO THIS COMMITTEE.

O JIM'S CREDENTIALS ARE EQUALLY IMPRESSIVE.

HE IS:

- PRESIDENT OF THE

AMERICAN FREEDOM FROM HUNGER FOUNDATION

- A MEMBER OF THE WHITE HOUSE FOOD FOR PEACE COUNCIL

- A MEMBER OF THE BOARD FOR INTERNATIONAL FOOD

AND AGRICULTURAL DEVELOPMENT

- AND,

AS A CONSULTANT AND PARTICIPANT

IN VILLAGE-LEVEL DEVELOPMENT,

JIM HAS APPROACHED THE PROBLEMS OF DELIVERING FOOD AID

FROM EVERY POSSIBLE ANGLE.

- JIM HAS BEEN MY ADVISOR ON FOOD AID

OVER THE PAST SEVERAL YEARS,

AND I'M HAPPY HE WILL BE JOINING THIS COMMITTEE.

O SO, WELCOME, BOTH OF YOU.

O IN RESPONSE TO THE THEME YOU HAVE CHOSEN FOR THIS YEAR:

"PVO EFFECTIVENESS AS DEVELOPMENT AGENTS,"

I'D LIKE TO GIVE YOU SOME OF MY THOUGHTS

ON THE ROLE I SEE THE PVO COMMUNITY PLAYING IN DEVELOPMENT.

O LET ME ALSO SAY THAT

I READ YOUR EXECUTIVE SUMMARY OF YOUR DECEMBER RETREAT

AND ENDORSE YOUR DECISION

TO PLAY A MORE OVERT ADVISORY ROLE.

O I HAVE A BIG NEED

FOR THE KIND OF RECOMMENDATIONS YOU CAN PRODUCE,

AND

THE NEED ISN'T BEING FILLED BY ANYONE ELSE.

O LET ME GIVE YOU MY THOUGHTS ABOUT DEVELOPMENT AND
THE PVO COMMUNITY.

O A.I.D. IS RELYING MORE AND MORE ON PVOs. . .

O WE SEE THEM AS FULL-FLEDGED DEVELOPMENT AGENTS,
AND ARE PUSHING THEM TO EXPAND THEIR CAPACITY
TO DELIVER DEVELOPMENT ASSISTANCE.

O PVOs ARE MAKING MAJOR DEVELOPMENT CONTRIBUTIONS
IN THE THIRD WORLD,
PARTICULARLY IN THE AREAS OF SMALL ENTERPRISE DEVELOPMENT,
PRIMARY HEALTH CARE,
AND
WORKING TO IMPROVE THE EFFECTIVENESS
OF GRASS ROOTS ORGANIZATIONS.

0 BUT THE PVO COMMUNITY HASN'T REACHED ITS FULL POTENTIAL.
PROJECTS TEND TO BE SMALL, AND
OFTEN DO VERY LITTLE
TO ATTACK THE STRUCTURAL PROBLEMS
OF A DEVELOPING COUNTRY.

0 I THINK PVOs NEED TO BE MORE AWARE
OF THE BIG PICTURE OF DEVELOPMENT.
THEY NEED TO CONSIDER HOW THEY CAN FIT
INTO THE LARGER DEVELOPMENT PLANS
OF HOST GOVERNMENTS,
A.I.D., AND
THE MULTILATERAL DONOR COMMUNITY.

0 ONCE THAT HAPPENS, THEY WILL BE BETTER ABLE
TO MANAGE RESOURCES,
AND MAXIMIZE THEIR IMPACT.

0 THE STRATEGIC MANAGEMENT OF RESOURCES IS KEY.

- 0 THAT'S WHERE I SEE A.I.D. BEING ABLE TO PLAY A BIG ROLE.

- 0 WE CAN HELP THE PVO COMMUNITY DEVELOP THE
TECHNICAL KNOW-HOW SO THEY CAN PLAY A BIGGER ROLE
IN DEVELOPMENT.

- 0 WE CAN ALSO HELP THEM THINK MORE STRATEGICALLY.

- 0 WE ARE READY TO WORK WITH THE PVO COMMUNITY
TO CARRY OUT THIS EVOLUTION.

- 0 I TRULY BELIEVE THE PVO COMMUNITY
WILL RISE TO THE STRATEGIC CHALLENGE.
I BELIEVE THE PVOs CAN BE A MAJOR FORCE
IN ATTACKING THE ROOT PROBLEMS OF HUNGER,
ILLITERACY,
DISEASE AND PREMATURE DEATH
IN DEVELOPING NATIONS.

- O THIS COMMITTEE CAN HELP
BOTH A.I.D. AND THE PVO COMMUNITY.

- O WHAT A.I.D. NEEDS IS A WISE,
INDEPENDENT JUDGMENT
OF PVO STRENGTHS AND WEAKNESSES.
WE ALSO WANT TO KNOW WHAT WE CAN DO
TO MAXIMIZE PVO EFFECTIVENESS.

- O SPECIFICALLY,
I WOULD ASK YOU
TO HELP A.I.D.
THINK THROUGH HOW WE CAN MAXIMIZE THE DEVELOPMENT CAPACITY
OF THE PVO COMMUNITY.

- O AND I WOULD ASK YOU
TO EXAMINE THE PVO STRENGTHS AND WEAKNESSES.

O THIS WILL BE A GREAT CONTRIBUTION
TO BOTH A.I.D.
AND THE PVO COMMUNITY.

O WE LOOK FORWARD TO YOUR
ANALYSIS AND RECOMMENDATIONS.

- 0 IN 1977,
A.I.D. PROVIDED START-UP FUNDING FOR YOUR
TECHNICAL ASSISTANCE PROGRAM.

- 0 WE HAVE CONTINUED TO FUND THIS PROGRAM,
AND ARE CURRENTLY
IN THE PROCESS OF FINALIZING A
THREE-YEAR MATCHING GRANT.

- 0 IF THERE IS ONE THING
SISTER CITIES PROGRAMS DO,
IT'S DISPROVE
THE BELIEF
THAT DEVELOPMENT ONLY BENEFITS
PEOPLE IN THE DEVELOPING WORLD.

O I'VE GOT AN ARTICLE HERE FROM
TOPIC MAGAZINE.

(HOLD UP MAGAZINE)

IT'S ABOUT A SISTER CITIES PROGRAM
INVOLVING RESTON, VIRGINIA

AND

NEERDI, KENYA.

O THE TWO CITIES HAVE A PROGRAM

TO TRAIN SPECIAL EDUCATORS

TO TEACH MENTALLY HANDICAPPED CHILDREN.

O THE SPECIAL EDUCATORS FROM KENYA

INTRODUCED SOMETHING NEW

TO A CAMP IN RESTON.

O IT WAS AN AGRICULTURE PROGRAM.

THEY GOT THE KIDS TO PLANT TREES,

NURTURE PLANTS,

AND

TEND THEIR OWN GARDEN PLOTS.

O THE PROGRAM DID MARVELOUS THINGS

FOR THE SELF-CONFIDENCE

OF THESE AMERICAN CHILDREN.

O AND THE AMERICAN EDUCATORS LEARNED

SOMETHING VERY VALUABLE ABOUT

WORKING WITH THE MENTALLY RETARDED.

O OF COURSE,

OUR OWN COMMUNITIES

HAVE A LOT TO OFFER

PEOPLE FROM OTHER PARTS OF THE WORLD.

O LET ME SAY A FEW THINGS ABOUT

WHAT IT MEANS,

PARTICULARLY TO A PERSON FROM A DEVELOPING NATION,

TO BE ABLE TO COME TO THE UNITED STATES.

O FIRST, IT'S AN EXPERIENCE

THEY NEVER FORGET.

THEY NEVER FORGET THE HOSPITALITY.

THEY NEVER FORGET THE FRIENDSHIP.

THEY NEVER FORGET AMERICA.

O (ANECDOTES ABOUT DUARTE, AND THE PERSON FROM

NEW MEXICO STATE UNIVERSITY.)

O THE EXPERIENCES STAY WITH US, TOO.

O MY OWN EXPRIENCE

AS A PEACE CORPS VOLUNTEER

IS STILL FRESH.

I'M STILL PUTTING INTO PRACTICE

THINGS I'VE LEARNED DURING THOSE YEARS.

O ONE OF THE IDEAS THAT BEGAN

TO BE SHAPED DURING MY PEACE CORPS YEARS

IS THIS:

O THAT PEOPLE IN DEVELOPING COUNTRIES

ARE RATIONAL DECISION MAKERS.

O IF THEY ARE GIVEN AN OPPORTUNITY TO

REACH FOR A BETTER LIFE,

THEY WILL DO SO.

0 IN SHORT.

POOR PEOPLE ARE A LOT LIKE US.

0 I THINK THOSE OF YOU WHO HAVE

WORKED WITH PEOPLE FROM

SO-CALLED

THIRD WORLD COMMUNITIES.

KNOW WHAT I MEAN.

0 (BELT-TIGHTENING STORY)

0 IT'S NEO-COLONIALISM

FOR US TO TELL PEOPLE

THAT WE KNOW MORE ABOUT IMPROVING

THEIR LIVES

THAN THEY DO.

O ONE OF THE REASONS A.I.D.
HAS BACKED SISTER CITY
TECHNICAL ASSISTANCE PROGRAMS
IS BECAUSE IT HELPS ROLL AWAY BARRIERS
THAT STAND IN THE WAY OF INDIVIDUAL INITIATIVE.

O WHEN DOCTORS FROM OUR CITIES
HELP TRAIN DOCTORS OR TOWNSPEOPLE
IN A THIRD WORLD CITY,
THE BARRIER OF POOR HEALTH CARE IS LOWERED.

O WHEN TELECOMMUNICATIONS EXPERTS
IN MIAMI
DESIGN,
AND HELP INSTALL,
A "DISASTER PREPAREDNESS" PROGRAM
IN KINGSTON, JAMAICA,
ANOTHER BARRIER IS LOWERED.

O AT THE SAME TIME.

A.I.D. IS WORKING TO BRING ABOUT

POLICY REFORMS

THAT FOSTER A FREE-MARKET ECONOMY

WHERE INDIVIDUAL INITIATIVE

CAN BLOOM.

O WE'RE WORKING TO DE-CENTRALIZE

GOVERNMENT CONTROL OVER

EDUCATION,

HOUSING,

MEDICAL CARE.

O THE REASON IS BECAUSE GOVERNMENTS JUST AREN'T

VERY GOOD AT SOLVING THESE TYPES OF PROBLEMS.

O COMMUNITY GROUPS ARE MUCH BETTER.

O WHICH BRINGS ME TO ONE LAST POINT.

O IT'S THAT THERE IS AN UNPLANNED
REWARD OF THIS GRASSROOTS
COMMUNITY INVOLVEMENT.

O WHAT IT REALLY BUILDS IS A FORM OF
PARTICIPATORY DEMOCRACY.

O AND IT'S IN A DEMOCRATIC ENVIRONMENT
THAT PEOPLE DISCOVER PROBLEMS --
MUCH MORE QUICKLY THAN GOVERNMENTS
CAN DISCOVER THEM.

PEOPLE WORKING THROUGH COMMUNITY ORGANIZATIONS
CAN ALSO DEVELOP
SOLUTIONS MUCH MORE QUICKLY.

O SISTER CITIES IS HELPING
TO BUILD
THIS DEMOCRATIC ENVIRONMENT.

O LET ME END BY SAYING,

THANK YOU

FOR TAKING THE TIME

TO DO WHAT YOU DO.

O AMERICA BENEFITS.

AND SO DOES THE REST OF THE WORLD.

It + Miss Catherine Priest and I
had the idea to go to Lowell, MA
to set up a Sister Cities int'l. It fizzled.

Not only the concept, but the people
to carry the torch.

Central to development is the role of
the individual in 3rd World.

When you strip away the culture + cloth -
people are a lot like us.
What are the implications?

Program development assistance

he is an ambassador to the US in response to people's needs.
A far thinking person. I can say in a 50-partisan way.
we rely on his integrity and we rely on his judgment

The core to keep in mind is

Everybody around the table, read
Liberia -- I mean malaria.

The ones, the
institutions, the power is in
the Third World is
the people themselves.

Q+A

Green Revolution: does it hurt small land owners?

Recent
A: Studies show that a vast majority of people
It provided jobs for people who had no land, who
had no food. They said that for Central India +
large parts of Africa we need a technology where grain +
other crops can be planted that do not need
irrigation - and do not need fertilizer.

Q2: I too was a peace corps nurse in Africa.
At drought - it wasn't the grain that people were
used to eat - and a lot of it went to waste.
are we asking people what they want.

Q3 - Mali -
they are pleading now - they are a sub-Saharan country.
Drought did a great job to try
Now they are pleading - don't send us more grain. There
no pleading ^{not to send} grain.

Africa - said you here was a 30% increase in production.

↳ the opinion - to be candid, we
went through PVOs and almost
all other countries through money
through govt.

TALKING POINTS FOR PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
RECEPTION FOR CONGRESSMAN WILLIAM GRAY III
TUESDAY, APRIL 7, 1987
6:30 P.M. STATE DEPARTMENT

(JAY MORRIS WILL INTRODUCE YOU)

- LET ME REINFORCE WHAT JAY SAID:

A.I.D. IS COMMITTED TO MORE THAN MEETING THE
QUOTAS OF CONGRESSMAN GRAY'S AMENDMENT.

- WE'RE COMMITTED TO GIVING THE SMALL ENTERPRISES,

AND THE MINORITY ENTERPRISES,

A BIGGER ROLE IN DEVELOPMENT.

- BY DOING SO,

WE MAKE A.I.D. A MORE CREDIBLE ORGANIZATION,

AND THE UNITED STATES A

STRONGER FORCE

IN INTERNATIONAL DEVELOPMENT.

- I WANT TO PERSONALLY THANK JAY FOR THE WORK HE HAS DONE. . .

- ALSO,

I WANT TO MENTION THE FINE WORK

BEING DONE BY

A.I.D.'S OFFICE OF SMALL AND DISADVANTAGED BUSINESS

UTILIZATION.

- AND BY THE MINORITY RESOURCE CENTER.

- JOE BENNETT HEADS UP OUR OSBDI AND

LAVERNE DRUMMOND IS A.I.D.'S

MINORITY RESOURCE CENTER REPRESENTATIVE.

- LET ME ALSO MENTION THAT

EACH OFFICE AT A.I.D. HAS A MINORITY BUSINESS

LIAISON OFFICER.

IN FACT,

A.I.D. HAS MORE LIAISON OFFICERS THAN
ANY OTHER AGENCY.

O THE OSBDI WAS CREATED TO DO A NUMBER OF THINGS:

- FIRST,

TO SERVE THE SMALL AND MINORITY BUSINESS COMMUNITY
AND TO ANSWER YOUR QUESTIONS.

- SECOND,

TO HELP YOU UNDERSTAND THE A.I.D. CONTRACT PROCESS
AND HELP YOU TAKE ADVANTAGE OF A.I.D. CONTRACT
OPPORTUNITIES.

- AND ALSO,

TO KEEP YOU INFORMED ABOUT A.I.D.'S OVERALL
DEVELOPMENT AGENDA.

● THAT AGENDA STRESSES:

- PRIVATE SECTOR INVOLVEMENT
- TRAINING
- MARKET-ORIENTED ECONOMIC POLICY REFORM
- INVESTMENT IN NEW TECHNOLOGIES
- INSTITUTION BUILDING. . .

● IT'S A PHILOSOPHY THAT SAYS THAT DEVELOPMENT

MUST BE MORE THAN A GIVE-AWAY PROGRAM.

DEVELOPMENT MUST INVOLVE THIRD WORLD PEOPLE

IN THE ACT OF CREATING THEIR OWN DESTINY.

(RECOGNITION OF MEMBERS OF CONGRESS AND INTRODUCTION OF

CONGRESSMAN GRAY)

● LADIES AND GENTLEMEN,

AT THIS TIME I WANT TO INTRODUCE THE MEMBERS OF CONGRESS
WHO ARE JOINING US.

-CONGRESSMAN RON DE LUGO (VIRGIN ISLANDS)

-CONGRESSMAN FLOYD H. FLAKE (NEW YORK)

-CONGRESSMAN JAIMI FUSTER (PUERTO RICO)

-CONGRESSMAN MICKEY LELAND (TEXAS)

● AT THIS TIME,

I WANT TO CALL UP THE AUTHOR OF THE GRAY AMENDMENT. . .

CONGRESSMAN BILL GRAY.

0 [REDACTED]'S GOOD TO BE HERE.

*Overseas
Development
Conference
4/28/87
Washington, D.C.*

0 [REDACTED] FIRST THAT A.I.D. IS GRATEFUL TO

THE CDC AND INTERSECTION

FOR YOUR GROUNDBREAKING PUBLIC OPINION PROJECT.

0 AS ABRAHAM LINCOLN REALIZED

[REDACTED] AND A HALF AGO,

[REDACTED] MAKING AND PUBLIC OPINION DO --

[REDACTED] SOME EXTENT MUST --

GO HAND IN HAND.
[REDACTED]

0 [REDACTED] TO FOCUS TODAY ON A PRINCIPLE THAT I BELIEVE

[REDACTED] PUBLIC KNOWLEDGE.

0 [REDACTED] TO DO WITH THE ROLE OF THE INDIVIDUAL IN

[REDACTED] PHENOMENON.

0 [REDACTED] PRINCIPLE IS THAT

PEOPLE IN DEVELOPING NATIONS ARE

[REDACTED] ECONOMIC DECISION MAKERS.

O THEY WILL REACH FOR AN OPPORTUNITY WHEN ONE PRESENTS ITSELF.

O THIS IS A PRINCIPLE I THINK AMERICANS WANT TO BELIEVE IS TRUE.

O AND THERE IS NOW A GOOD DEAL OF HARD AND SOFT EVIDENCE
TO GIVE THEM EVERY REASON TO BELIEVE
IT IS TRUE.

O OPINION AMONG DEVELOPMENT COMMUNITY
BEGAN TO SHIFT WITH THE ADVENT OF
THE GREEN REVOLUTION.

O REMEMBER PROFESSOR SAID: UNLETTERED PEOPLE SLOW TO CHANGE.
MY EXPERIENCE PROVED DIFFERENTLY.

0 GREEN REVOLUTION

- FARMERS HAD TO ADAPT TO GRAINS THAT TASTED AND COOKED UP DIFFERENTLY.

0 POINT IS THAT IT WASN'T THE HYBRID GRAIN THAT STARTED THE GREEN REVOLUTION -- IT WAS THE THOUSANDS OF POOR FARMERS WITH THE INDIVIDUAL INITIATIVE TO CHANGE.

0 RAISES QUESTION: IF THEY ARE LIKE US -- WHY ARE THEY POOR?

0 BECAUSE OF BARRIERS:

- MALARIA
- ILLITERACY
- POOR ROAD SYSTEM
- PRICE CONTROLS

- 0 DEVELOPMENT EQUALS ROLLING AWAY BARRIERS.

- 0 BASIC AND PRACTICAL APPROACH -- BUT NOT TRITE.

- 0 IN FACT, LEADS TO SOME PROFOUND POLICY IMPLICATIONS.

- 0 FIRST IMPLICATION:

 MAIN DEVELOPMENT TOOL IS

 PEOPLE OF DEVELOPING NATIONS THEMSELVES.

- 0 STRATEGIES THAT RECOGNIZE THIS PROVE THE MOST SUCCESSFUL.

- 0 SECOND POLICY IMPLICATION:

 IF POOR PEOPLE RESPOND TO ECONOMIC INCENTIVES,

 FREE MARKET FORCES MUST BE ENCOURAGED.

O AGRICULTURE EXAMPLE:

- TRIP WITH SECRETARY SHULTZ TO KENYA, SENEGAL, NIGERIA.
- FACT: PAY FARMERS MORE, THEY PRODUCE MORE
- FREE MARKET:
 1. FAIRER THAN SUBSIDIES
 2. LEADS TO GREATER LEVELS OF PRODUCTION

O BRINGS ME TO THIRD POLICY IMPLICATION:

IF PEOPLE DO TAKE INITIATIVE

WHEN THEY HAVE A PERSONAL STAKE IN A PROGRAM,

THEN

IT MAKES SENSE TO HAVE PEOPLE --

EVEN ECONOMICALLY DEPRIVED PEOPLE. --

PAY SOMETHING FOR WHAT THEY GET.

0 A.I.D. HAS FOUND THIS TO BE ONE OF THE BEST STRATEGIES OF DEVELOPMENT.

0 LET ME GIVE YOU EXAMPLES IN HOUSING, HEALTH AND EDUCATION.

0 HOUSING...

- HOUSING MINISTERS COMPLAIN THEY NEED MONEY
- FACT: NOT ENOUGH DONOR MONEY TO BUILD HOUSES
- WHAT WORKS?
- SITES AND SERVICES PROGRAM
- BRINGS PRIDE OF OWNERSHIP

- ONE STUDY FOUND THAT PEOPLE WITH AVERAGE YEARLY INCOMES OF 1,200 DOLLARS WERE ABLE TO "AFFORD" A HOUSE WORTH 10 TIMES THAT MUCH.

- THEY SAVED. THEY BORROWED. THEY MADE USE OF
THE INFORMAL ECONOMY.

- MAN IN THE BARRIADA

O OR TAKE HEALTH CARE...

- FACT: FREE MEDICINE EQUALS NO MEDICINE IN THIRD WORLD
- GOVERNMENTS CAN'T DELIVER
- REALITY: POOR PEOPLE ARE PAYING FOR HEALTH CARE.

- E.G. A 1985 STUDY SHOWED THAT POOR PEOPLE IN MALAWI --
PEOPLE MAKING ABOUT 200 DOLLARS A YEAR --
SPENT 25% OF THIS ON HEALTH CARE.

O AND A 1984 STUDY SHOWED, AMONG OTHER THINGS:

FIRST,

THAT GOVERNMENT CLINICS WHICH ALLEGEDLY OFFERED

"FREE" CARE TO THE POOR

WERE PATRONIZED BY PEOPLE WHO COULD WELL AFFORD TO PAY.

O AND SECOND,

THAT DESPITE HIGHER COSTS,

PATIENTS FAVORED PRIVATE SECTOR HEALTH CARE

BECAUSE IT MEANT BETTER HEALTH CARE.

THE PRIVATE SECTOR WAS MORE DEPENDABLE.

O IN FACT, IN A STUDY DONE IN ZAIRE,

MOBILE HEALTH TEAMS FOUND THAT VILLAGERS

WERE UNRECEPTIVE TO SERVICES THAT WERE FREE.

WHEN MISSION CHURCHES IN ZAIRE BEGAN TO CHARGE

FOR SERVICE, DEMAND WENT UP CONSIDERABLY!

0 HERE'S AN EXAMPLE OF A.I.D. PROGRAM THAT WORKS:

PROGRAM THAT GIVES TRAINING AND MEDICAL SUPPLIES TO A
VILLAGER TO SELL TO COMMUNITY...

0 FINALLY, TAKE EDUCATION...

- "SCHOOL" IN WESTERN SUDAN . . . BROKEN WINDOWS . . . BUT
TO SUDAN EDUCATION MINISTRY THIS WAS A SCHOOL.
- PROBABLY EVEN HAD A SCHOOL TEACHER ON PAYROLL!
- POINT: CENTRALIZED MINISTRY WASN'T ABLE TO PROVIDE
QUALITY EDUCATION.
- WHAT WORKS?
- GIVING COMMUNITY MEMBERS A STAKE IN RUNNING THE SCHOOL.
- I LIKE IDEA OF USING LOCAL TAXES TO PAY PART OF TEACHER'S
SALARY.
- EXAMPLE: KENYAN GOVERNMENT MAKES PARENTS RESPONSIBLE FOR
PROVIDING TEACHER'S HOUSING...

0 IN SUMMARY, THERE ARE THREE REASONS WHY A.I.D. THINKS IT'S GOOD POLICY TO HAVE PEOPLE IN DEVELOPING COUNTRIES PAY SOMETHING FOR WHAT THEY GET:

1. PEOPLE MORE APT TO USE WHAT THEY HAVE INVESTED IN.
2. HAVING PEOPLE PAY LEAVES MORE MONEY FOR OTHER DEVELOPMENT ACTIVITIES.
3. DISTRIBUTION SYSTEM IS MORE FAIR -- AND MORE EFFECTIVE -- WHEN PEOPLE PAY.

0 NOW LET ME SUM UP WHAT I CONSIDER THE MAIN CONDITIONS FOR MAXIMIZING INDIVIDUAL INITIATIVE.

1. FIRST: YOU MUST RECOGNIZE THAT PEOPLE IN DEVELOPING COUNTRIES ARE RATIONAL ECONOMIC DECISION MAKERS.
2. SECOND: A FREE-MARKET ECONOMY THAT ALLOWS PEOPLE TO GET A FAIR MARKET PRICE FOR THEIR GOODS AND SERVICES.
3. THIRD: MONUMENTAL BARRIERS OF DISEASE, ILLITERACY, ETC., NEED TO BE ROLLED AWAY.

0 HOW IS A.I.D. HELPING TO ROLL THESE BARRIERS AWAY?

- TECHNOLOGY TRANSFER HAS HELPED DEVELOP VACCINES

E.G. MALARIA VACCINE TESTING GOING ON AT UNIVERSITY OF
MARYLAND

- RESEARCH INTO DROUGHT-TOLERANT SEEDS

- INSTITUTION BUILDING CREATES STABLE ENVIRONMENT THAT
ALLOWS PEOPLE TO PLAN FOR THE FUTURE.

0 BRINGS ME TO WHAT I SEE TO BE A SUBTLE REWARD OF THESE
DEVELOPMENT POLICIES:

- WHAT YOU REALLY BUILD BY GIVING PEOPLE CONTROL OVER THEIR
LIVES IS PARTICIPATORY DEMOCRACY.

O I'M CONVINCED THAT PARTICIPATION IN DEVELOPMENT ACTIVITIES AT
THE COMMUNITY LEVEL STRENGTHENS DEMOCRATIC PROCESS.

O EXAMPLE: DOMINICAN REPUBLIC . . .

- 400 YEARS OF DICTATORIAL REGIMES

- NOW DEMOCRACY

- HOW COME?

O ANSWER: BELOW DICTATORSHIP YOU HAD DEMOCRACY AT A COMMUNITY
LEVEL.

O OR TAKE HAITI . . .

- 700 PRIVATE VOLUNTARY ORGANIZATIONS ...

CONCLUSION

O TALKED A GREAT DEAL ABOUT INDIVIDUAL INITIATIVE.

IT IS A MESSAGE THAT NEEDS TO BE TAKEN TO THE
AMERICAN PEOPLE.

O AND, IT NEEDS TO BECOME ENTRENCHED IN THE THINKING
OF PEOPLE WHO MAKE UP THE DEVELOPMENT COMMUNITY.

O LET ME CONCLUDE BY LETTING ONE OF THESE INDIVIDUALS SPEAK FOR
HIMSELF.

O COSTA RICAN FARMER WRITES:

I AM THE ONE WHO COMES TO THE CITY ONCE IN A WHILE...

I AM THE ONE WHO LOOKS IN AWE AT THE CITY WITH AN OPEN MOUTH..

I AM THE ONE WHO STRUGGLES FROM SUNRISE TO SUNRISE TO BRING

A BETTER PRODUCT TO YOUR TABLE...

I AM THE ONE WHO THINKS EVERYONE HAS TURNED THEIR BACK TO ME...

I AM THE ONE WITH CALLOUSED HANDS AND A GRIEVING SPIRIT...

YET WITH THE HOPE OF A BETTER TOMORROW.

I DON'T KNOW IF MY CHILDREN WILL BE ABLE TO CONTINUE THEIR

EDUCATION; THEY WALK BAREFOOT AND SOMETIMES CRY FROM HUNGER.

MY SHACK HAS A SHATTERED ROOF, AND MY FIVE CHILDREN SLEEP IN

THE SAME UNCOVERED BED.

BUT I DISLIKE BEING CALLED "POOR PEASANT"

EVEN THOUGH I AM A POOR PEASANT.

I HAVE PRIDE AND I AM DEEPLY HUMAN...AND CAN SHOW THAT I AM

RESPONSIBLE...

JUST GIVE ME THE OPPORTUNITY AND I SHALL PRODUCE...

I SHALL PRODUCE A BETTER TOMORROW FOR MY FAMILY AND FOR MY

COUNTRY.

TALKING POINTS FOR PRESENTATION OF THE
ADMINISTRATOR'S
DEVELOPMENT ACHIEVEMENT AWARD

APRIL 24, 1987 - 2:30 P.M.

O I'M GLAD YOU COULD JOIN US.

O WE'RE HERE TO PRESENT THE FIRST ANNUAL

A.I.D. ADMINISTRATOR'S DEVELOPMENT ACHIEVEMENT AWARD.

O MOST A.I.D. AWARDS ARE PRESENTED

TO A.I.D. EMPLOYEES OR A.I.D. DIVISIONS.

O THIS AWARD IS PRESENTED TO OUTSIDE INDIVIDUALS

OR ORGANIZATIONS WHO

HAVE MADE A TRULY OUTSTANDING CONTRIBUTION

TO A.I.D.'S DEVELOPMENT OBJECTIVES.

O WE HAVE A DOUBLE AWARD PRESENTATION TODAY.

O I WILL BE PRESENTING AWARDS TO
AN OUTSTANDING ORGANIZATION,
AND TO THE REMARKABLE INDIVIDUAL WHO HAS
DIRECTED THAT ORGANIZATION FOR THE PAST 20 YEARS.

O THE ORGANIZATION IS
PARTNERS OF THE AMERICAS.

O AND ITS DIRECTOR IS ALAN RUBIN.

O FIRST,
LET ME TELL YOU ABOUT
PARTNERS OF THE AMERICAS.

- O PARTNERS IS THE LARGEST NETWORK OF
PRIVATE VOLUNTARY EXCHANGE IN THE AMERICAS.

- O MORE THAN 20,000 VOLUNTEERS
ARE INVOLVED IN OVER 1,300 PROJECTS.

- O THESE PROJECTS ARE VALUED AT MORE THAN \$40 MILLION
AND BENEFIT MORE THAN 100,000 PEOPLE ANNUALLY.

- O PROJECTS INCLUDE:
 - 1. HELPING A COMMUNITY PRODUCE SAFER DRINKING WATER;
 - 2. HELPING PEOPLE WITH LOW INCOMES START THEIR OWN BUSINESS;
 - 3. UPGRADING HOSPITAL EQUIPMENT;
 - 4. BUILDING LOW-COST WHEELCHAIRS;AND MORE.

0 PARTNERS IS EXTREMELY VALUABLE TO A.I.D.'S
DEVELOPMENT OBJECTIVES
FOR A NUMBER OF REASONS.

0 FIRST,
PARTNERS IS THE PRIMARY VEHICLE
THROUGH WHICH A.I.D. IS NOW IMPLEMENTING ITS
ADVANCED DEVELOPING COUNTRY STRATEGY,
IN BRAZIL AND COLOMBIA.

0 SECOND,
PARTNERS IS PROVIDING
ADVANCED TRAINING TO PARTICIPANTS FROM
LATIN AMERICA AND THE CARIBBEAN.

0 IN FACT,

PARTNERS HAS TRAINED MORE THAN 700 PEOPLE
IN ONLY THREE YEARS.

0 THIRD,

PARTNERS IS ASSISTING A.I.D. IN ITS
DEMOCRACY-BUILDING PROGRAMS
IN CENTRAL AMERICA AND THE CARIBBEAN.

0 FOURTH,

PARTNERS HAS BEEN HELPING
A.I.D. FOCUS PUBLIC ATTENTION
ON DEVELOPMENT NEEDS OF THE AMERICAS
BY TAKING A LEADERSHIP ROLE IN THE
NATIONAL YEAR OF THE AMERICAS CAMPAIGN.

O BASED ON THIS RECORD OF OUTSTANDING ACHIEVEMENT,
I WANT TO PRESENT
THE ADMINISTRATOR'S DEVELOPMENT ACHIEVEMENT AWARD
TO THE STAFF AND VOLUNTEERS OF
PARTNERS OF THE AMERICAS.

O WE'RE NOT FINISHED!

O NOW I WANT TO TELL YOU ABOUT ALAN RUBIN,
THE MAN BEHIND THIS DYNAMIC ORGANIZATION.

O ALAN IS A FORMER SHOEMAKER FROM MAINE.

O HIS LIFE CHANGED 20 YEARS AGO
WHEN HE BECAME A PARTNERS VOLUNTEER.

O A YEAR AFTER BECOMING A VOLUNTEER,

ALAN LEFT HIS JOB IN MAINE

TO BECOME PRESIDENT OF PARTNERS.

O LET ME TAKE A MOMENT TO RELATE HOW PARTNERS

HAS FLOURISHED

UNDER ALAN'S LEADERSHIP.

O IN 1970,

WHEN PARTNERS BECAME A PVO,

IT HAD ONE GRANT FROM ONE SOURCE -- A.I.D.

AND IT HAD A BUDGET

OF \$400,000.

O THAT WAS ENOUGH TO FUND 117 PARTNER VOLUNTEER TRAVELERS.

O TODAY,

THE PARTNERS BUDGET IS OVER \$6 MILLION.

CONTRIBUTORS INCLUDE

MORE THAN 25 U.S. CORPORATIONS,

22 OVERSEAS COMPANIES,

28 FOUNDATIONS,

AND 7 U.S. AND FOREIGN GOVERNMENT AGENCIES.

O THESE RESOURCES ARE ABLE TO

PROVIDE TRAVEL GRANTS TO

ALMOST 2,000 VOLUNTEERS,

ALONG WITH HUNDREDS OF TRAINING GRANTS

AND SMALL GRANTS TO LOCAL PROJECTS.

O THESE NUMBERS REALLY DON'T DO JUSTICE

TO ALAN'S LEADERSHIP SKILLS.

O AND THEY ALSO DON'T SHOW YOU
THE DEPTH OF ALAN'S COMMITMENT
TO HELPING PEOPLE.

O I'VE HAD THE PRIVILEGE OF WORKING WITH ALAN
OVER THE YEARS.

HE'S EXTREMELY DEDICATED.

HE'S AN EXTREMELY FINE MANAGER.

HE HAS VISION.

HE'S A CARING MAN.

O LADIES AND GENTLEMEN,

IT IS MY PLEASURE TO PRESENT,

TO ALAN RUBIN,

THE ADMINISTRATOR'S DEVELOPMENT ACHIEVEMENT AWARD.

PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
HADASSAH'S 75TH DIAMOND JUBILEE
TUESDAY, APRIL 28, 1987
HYATT REGENCY HOTEL
WASHINGTON, D.C.

O LADIES AND A FEW GENTLEMEN,

DISTINGUISHED GUESTS,

FRIENDS --

IT'S GOOD TO BE HERE.

O FIRST, AND FOREMOST,

I WANT TO CONGRATULATE

HADASSAH

ON 75 YEARS OF

BRINGING AMERICANS MORE DEEPLY

IN TOUCH WITH THE NEEDS OF THE

WORLD'S JEWISH COMMUNITY.

O HADASSAH IS A HEALING FORCE IN THIS WORLD.

AND AT 75.

YOU ARE NEEDED NOW

MORE THAN EVER.

O YOU HAVE CHOSEN TO CELEBRATE YOUR ANNIVERSARY

BY HONORING THREE REMARKABLE WOMEN --

THREE PIONEERS OF INTERNATIONAL COOPERATION.

O BARBARA BUSH.

O-FEER-A NA-VON

AND

JI-HAHN SADAT

ARE LIVING PROOF THAT PEOPLE WHO CARE A GREAT DEAL

ACCOMPLISH A GREAT DEAL.

O A.I.D. HAS ENJOYED A LONG RELATIONSHIP WITH HADASSAH
THAT GOES BACK ALMOST 20 YEARS.

O WE SUPPORT WHAT YOU ARE DOING.

ONCE AGAIN,

CONGRATULATIONS TO EVERYONE HERE

FOR DOING SO MUCH TO BUILD

INTERNATIONAL TRUST

AND

COOPERATION.

0 TODAY.

I WANT TO TALK ABOUT A.I.D.'S

INTERNATIONAL PARTNERSHIPS,

PARTICULARLY A.I.D.'S DEVELOPMENT INITIATIVES IN

ISRAEL AND EGYPT.

0 ALSO, I WANT TO TALK ABOUT

THE ROLE OF THE INDIVIDUAL

IN DEVELOPMENT.

0 THE MORE TIME I SPEND IN OTHER COUNTRIES,

THE MORE I HAVE COME TO REALIZE THAT

SUCCESSFUL DEVELOPMENT PROGRAMS

DEPEND UPON THE ACTIVE PARTICIPATION

AND INVOLVEMENT

OF THE PEOPLE IN DEVELOPING COUNTRIES.

O FIRST,

A FEW WORDS ABOUT A.I.D.'S DEVELOPMENT PARTNERSHIP
WITH ISRAEL AND ITS ARAB NEIGHBORS.

O A.I.D FUNDS A NUMBER RESEARCH PROJECTS

THAT DRAW ON THE COMBINED TALENTS
OF AMERICAN, ISRAELI AND MIDDLE EASTERN
ACADEMIC INSTITUTIONS.

O WE'VE GOT RESEARCH GOING ON IN

AGRICULTURE, HEALTH, AND THE SOCIAL SCIENCES.

O FOR EXAMPLE,

A COOPERATIVE PROJECT WITH THE
NATIONAL INSTITUTE OF HEALTH
HAS DONE IMPORTANT WORK
IN COMBATING MALARIA.

- O WE'VE GOT AN AGRICULTURAL EXCHANGE PROGRAM
WITH ISRAELI AND EGYPTIAN UNIVERSITIES
THAT IS RESULTING IN BETTER IRRIGATION
THROUGHOUT THE DEVELOPING WORLD.

- O WHAT STARTS OUT AS COOPERATIVE RESEARCH
ENDS IN THE BUILDING OF
HUMAN RELATIONSHIPS.

- O PEOPLE WHOSE NATIONS HAVE BEEN AT ODDS FOR DECADES
WORK TOWARD COMMON DEVELOPMENT GOALS.

0 IN ISRAEL.

A.I.D. IS DIRECTLY SUPPORTING

THE CIVILIAN ECONOMY,

AND WORKING CLOSELY WITH THE ISRAELI GOVERNMENT

AND OTHER U.S. GOVERNMENT AGENCIES

TO CURB INFLATION,

AND STIMULATE GROWTH.

0 BUT A.I.D. IS ALSO DRAWING ON ISRAEL'S

CONSIDERABLE TECHNICAL, SCIENTIFIC,

AND AGRICULTURAL EXPERTISE

TO PROVIDE DEVELOPMENT ASSISTANCE

TO AFRICA AND

CENTRAL AMERICA.

0 FOR EXAMPLE.

ISRAEL HAS A LONG-STANDING COMMITMENT
TO TRAIN PEOPLE FROM LDCs.

0 A.I.D.'S AFRICA BUREAU RECENTLY MADE GRANT MONEY
AVAILABLE FOR PARTICIPANT TRAINEES IN AFRICA TO GET
SPECIALIZED TRAINING IN ISRAEL.

0 SOME OF THOSE STUDENTS WILL GET THEIR
TRAINING AT THE HADASSAH MEDICAL CENTER.

0 TURNING TO EGYPT,
THERE HAVE BEEN A LOT OF SUCCESS STORIES THAT I
HAVE BEEN PERSONALLY INVOLVED IN.

0 ORT IN EGYPT. . .

0 COMMUNICATION REVOLUTION. . .

0 WE HAVE SEEN ADVANCES IN THE QUALITY OF LIFE. *V IN EGYPT*

SINCE 1970:

1. INFANT MORTALITY HAS BEEN MORE THAN CUT IN HALF.
2. LIFE EXPECTANCY HAS RISEN ALMOST 10 YEARS.
3. PRIMARY SCHOOL ENROLLMENT CONTINUES TO GROW.

0 AMERICANS CAN FEEL VERY PROUD

OF THESE ACCOMPLISHMENTS --

BUT CREDIT ALSO MUST GO TO

THE PEOPLE OF EGYPT THEMSELVES.

0 TAKE THE CASE OF ORT AND NUTRITION PROGRAMS. . .

SUCCESS IS REALLY IN HANDS OF MOTHERS.

O WHICH BRINGS ME TO MY BASIC PRINCIPLE:

THAT PEOPLE THROUGHOUT THE WORLD

ARE RATIONAL DECISION MAKERS.

O THEY WILL REACH FOR AN OPPORTUNITY --

ECONOMIC OR HEALTH RELATED --

WHEN ONE PRESENTS ITSELF.

O IN OTHER WORDS,

THEY ARE A LOT LIKE US.

O TAKE THE GREEN REVOLUTION. . .

O GREEN REVOLUTION PROVED THAT PEOPLE DO CHANGE.

PROVED THAT EVEN THE POOREST PEOPLE RESPOND TO

OPPORTUNITY.

- 0 RAISES QUESTION: IF THEY ARE LIKE US --
WHY ARE THEY POOR?

- 0 BECAUSE OF BARRIERS:
 - MALARIA
 - ILLITERACY
 - PRICE CONTROLS

- 0 LEADS TO SOME PROFOUND POLICY IMPLICATIONS:

- 0 FIRST IMPLICATION IS THAT
DEVELOPMENT STRATEGIES NEED TO WORK TO
REMOVE THESE BARRIERS.

- 0 FOR EXAMPLE,
THAT'S WHY A.I.D. HAS CHOSEN TO INVEST IN
MALARIA VACCINE.

0 SECOND IMPLICATION:

MAIN DEVELOPMENT TOOL IS

PEOPLE OF DEVELOPING NATIONS THEMSELVES.

0 THIRD IMPLICATION:

IF EVEN THE MOST ECONOMICALLY DISADVANTAGED PEOPLE

RESPOND TO ECONOMIC INCENTIVES,

THEN

FREE MARKET FORCES MUST BE ENCOURAGED.

0 LET ME GIVE YOU AN EXAMPLE IN AGRICULTURE:

- FACT: WHEN YOU PAY FARMERS MORE, THEY PRODUCE MORE.

- TRIP WITH SECRETARY SHULTZ TO KENYA, SENEGAL, NIGERIA.

- FREE MARKET LEADS TO GREATER PRODUCTION LEVELS AND

IS MORE EQUITABLE THAN SUBSIDIES.

O BRINGS ME TO A FOURTH IMPLICATION:

IF PEOPLE DO TAKE INITIATIVE

WHEN THEY HAVE A PERSONAL STAKE IN A PROGRAM,

IT MAKES SENSE TO HAVE PEOPLE --

EVEN THE MOST ECONOMICALLY DEPRIVED PEOPLE --

PAY SOMETHING FOR WHAT THEY GET.

O TAKE HEALTH CARE. . .

O FACT: FREE MEDICINE EQUALS NO MEDICINE IN THIRD WORLD.

GOVERNMENTS CAN'T DELIVER.

REALITY IS THAT POOR PEOPLE DO PAY FOR HEALTH CARE.

O FOR EXAMPLE:

A STUDY IN MALAWI SHOWED THAT PEOPLE MAKING
ABOUT 200 DOLLARS A YEAR
SPENT 25 PERCENT OF THIS ON HEALTH CARE.

O AND A 1984 STUDY SHOWED, AMONG OTHER THINGS:

FIRST,

THAT GOVERNMENT CLINICS WHICH ALLEGEDLY OFFERED

"FREE" CARE TO THE POOR

WERE PATRONIZED BY PEOPLE WHO COULD WELL AFFORD TO PAY.

O AND SECOND,

THAT DESPITE HIGHER COSTS,

PATIENTS FAVORED PRIVATE SECTOR HEALTH CARE.

THEY FOUND THE PRIVATE SECTOR TO BE MORE DEPENDABLE.

O IN FACT,

A STUDY DONE IN ZAIRE

FOUND THAT VILLAGERS DID NOT TRUST

SERVICES THAT WERE FREE.

WHEN MISSION CHURCHES IN ZAIRE BEGAN TO CHARGE

FOR MEDICAL SERVICES,

DEMAND FOR THOSE SERVICES WENT UP!

O IN CONCLUSION,

PEOPLE WILL WORK VERY HARD

TO MAKE A BETTER LIFE FOR THEMSELVES.

O THEY ARE WILLING TO WORK TO GET THIS LIFE.

THEY ARE WILLING TO PAY THEIR OWN WAY TO GET IT.

O LET ME LEAVE YOU WITH A POEM BY A COSTA RICAN FARMER:

TALKING POINTS FOR
PETER MCPHERSON, ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT
TO
CONFERENCE OF SOUTHWEST FOUNDATIONS
FRIDAY, MAY 15, 1987
10:00 A.M.

O GOOD TO BE HERE. . .

O LET ME FIRST COMMEND YOU AND YOUR ORGANIZATIONS
ON THE WORK YOU DO -- DAY IN AND DAY OUT.
AMERICA AND ITS COMMUNITIES HAVE COME TO DEPEND
ON THE COMMUNITY FOUNDATION AND
THE COMMUNITY-SERVICE ORGANIZATION
TO TAKE CARE OF PEOPLE.

O SEEING COMMITTED PEOPLE HELPING OTHER PEOPLE IS EXCITING --
WHETHER IT HAPPENS IN A FAR-AWAY COUNTRY
OR IN YOUR OWN NEIGHBORHOOD.

O I ALSO WANT TO COMMEND THIS CONFERENCE
ON ITS GLOBAL VISION.

O I UNDERSTAND THAT THERE ARE MEMBERS OF THIS CONFERENCE
THAT ARE INVOLVED IN
INTERNATIONAL DEVELOPMENT PROGRAMS.

O I WOULD LIKE TO TAKE THIS OPPORTUNITY
TO ENCOURAGE THIS INTERNATIONAL OUTREACH.

O THERE ARE SOME REMARKABLE PROJECTS BEING UNDERTAKEN
IN MEXICO AND CENTRAL AMERICA
BY U.S. PRIVATE VOLUNTARY ORGANIZATIONS, OR PVOs.

O FOR EXAMPLE:

1. IN COSTA RICA,

THE SALVATION ARMY HAS AN ALCOHOL TREATMENT PROGRAM
THAT HAS AN EXTREMELY HIGH SUCCESS RATE (36%)

2. IN MEXICO

A.I.D. IS WORKING WITH A NUMBER OF PVOs
TO PROVIDE ASSISTANCE TO MICRO-ENTERPRISES
AND SMALL BUSINESSES.

3. IN EL SALVADOR.

A.I.D. HAS WORKED WITH PVOs TO
START A JUNIOR ACHIEVEMENT OF EL SALVADOR --
TO INVOLVE HIGH SCHOOL KIDS IN BUSINESS.
IT'S MODELED ON JUNIOR ACHIEVEMENT PROGRAMS
IN THE U.S.,
AND JUNIOR ACHIEVEMENT ORGANIZATIONS IN AMERICA
WERE INVOLVED IN THE EL SALVADOR PROGRAM.

O THERE ARE HUNDREDS OF EXTRAORDINARY PROGRAMS
IN MEXICO AND CENTRAL AMERICA.

- O WORKING WITH THE PVO COMMUNITY HAS BEEN ONE OF THE MOST SATISFYING AREAS OF MY WORK AT A.I.D.

- O I'VE WATCHED THEM GO FROM DOING A LOT FOR DEVELOPING NATIONS -- TO DOING A LOT MORE.

- O THAT'S WHY I AM PLEASED THAT THE CONFERENCE IS TAKING THE FIRST STEP TOWARD INITIATING A DIALOGUE WITH INTERACTION -- WHICH IS THE U.S. ASSOCIATION OF PRIVATE VOLUNTARY ORGANIZATIONS. THIS WILL ALLOW BOTH INTERACTION AND YOUR ORGANIZATION TO EXPLORE YOUR COMMONALITY OF INTEREST IN ASSISTING OUR NEIGHBORS IN CENTRAL AMERICA AND MEXICO.

0 TODAY, I WANT TO TALK ABOUT A COUPLE OF THINGS.

1. FIRST.

WHAT A.I.D. IS

AND THE KINDS OF PROGRAMS IT IS INVOLVED IN.

2. SECOND.

WANT TO TALK ABOUT A BASIC DEVELOPMENT PHILOSOPHY

THAT UNDERGIRDS A LOT OF WHAT WE DO AT A.I.D. --

THE IDEA THAT INDIVIDUALS IN DEVELOPING COUNTRIES

ARE RATIONAL ECONOMIC DECISION MAKERS --

THEY REACH FOR OPPORTUNITY IF

OPPORTUNITY IS THERE.

O ABOUT A.I.D.:

-- CREATED IN 1961 TO CARRY OUT U.S. ECONOMIC ASSISTANCE
IN THE DEVELOPING WORLD.

--AT WORK IN 70 COUNTRIES.

--OUR AID PROGRAMS REACH MILLIONS, THROUGH MANY CHANNELS:

1. DEVELOPMENT ASSISTANCE PROGRAMS THAT:

--BROADEN ECONOMIC OPPORTUNITY.

--GIVE PEOPLE CONTROL OVER THEIR OWN LIVES THROUGH
FAMILY PLANNING PROGRAMS.

--HEALTH PROGRAMS, SCIENCE AND TECHNOLOGY.

2. ECONOMIC SUPPORT FUND

3. FOOD FOR PEACE

4. DISASTER ASSISTANCE

O REACHING MORE PEOPLE EVERY DAY:

E.G. ORT: 5% HAD ACCESS FIVE YEARS AGO,

50% TODAY.

O TREMENDOUS INCREASES IN THE NUMBER OF

THIRD WORLD CITIZENS TRAINED IN THE U.S.

E.G. CENTRAL AMERICAN PEACE SCHOLARSHIP PROGRAM

(CAPS): INITIATED IN 1985 AND WILL

SPONSOR TRAINING FOR 3000 CENTRAL AMERICANS.

O IF THERE IS ONE THING I'VE LEARNED AS ADMINISTRATOR

IT'S THAT AMERICA'S INVESTMENT IN FOREIGN AID

IS ONE OF THE BEST INVESTMENTS THAN CAN BE MADE.

--CREATES AMERICAN JOBS,

FOSTERS PEACE,

AND MOST OF ALL IT BUILDS INTERNATIONAL TRUST.

O FINALLY.

AMERICA HAS A MORAL RESPONSIBILITY TO HELP
THOSE LESS FORTUNATE.

O WHICH BRINGS ME TO ME LAST AREA OF DISCUSSION: WHAT
IS THE BEST WAY FOR THE UNITED STATES TO HELP PEOPLE
IN THE DEVELOPING WORLD?

O FIRST, BY RECOGNIZING THAT PEOPLE IN DEVELOPING COUNTRIES
ARE A LOT LIKE US.

O THEY REACH FOR OPPORTUNITY.

O DEVELOPMENT CHALLENGE IS TO ROLL AWAY BARRIERS:

--MALARIA

--UNFAIR ECONOMIC POLICIES

--ILLITERACY

O PEOPLE WILL REACH FOR OPPORTUNITY, IF THEY ARE
ALLOWED A STAKE IN THEIR OWN DEVELOPMENT.

TAKE HOUSING. . .

E.G. MAN IN BARRIADA

O OR EDUCATION. . .

E.G. KENYA'S POLICY OF MAKING COMMUNITY MEMBERS
RESPONSIBLE FOR EDUCATION.

O BRINGS UP FINAL POINT:

A COMMUNITY PROCESS --

LIKE THE PROCESS OF

CITIZEN INVOLVEMENT THAT YOUR ORGANIZATIONS RELY ON --

DOES MORE THAN FOSTER DEVELOPMENT.

IT BUILDS PARTICIPATORY DEMOCRACY.

O COSTA RICA EXAMPLE.

O HAITI

O AS ALL OF YOU HAVE FOUND,

WHEN PEOPLE WORK TOGETHER AS PART OF A COMMUNITY

TRULY REMARKABLE THINGS HAPPEN.

TALKING POINTS FOR M. PETER MC PHERSON
^{Science + Technology}
~~IN HIS TALK AT THE~~ 25TH ANNIVERSARY DINNER

JUNE 22, 1987

IT'S GOOD TO BE HERE.

FIRST,

LET ME ADD MY WELCOME TO ALL OF YOU.

THIS CONFERENCE HAS BROUGHT TOGETHER

SO MANY PEOPLE WHO HAVE LITERALLY CHANGED THE FACE

OF THE DEVELOPING WORLD --

AND CHANGED IT FOR THE BETTER.

YOU CAN'T LOOK BACK ON THE LAST TWENTY-FIVE YEARS

OF SCIENTIFIC AND TECHNOLOGICAL ADVANCEMENT

WITHOUT BEING AMAZED BY TWO THINGS:

FIRST,

WHAT THE HUMAN MIND IS

CAPABLE OF DOING ON BEHALF OF

THE HUMAN BODY.

AND SECOND,

HOW GREAT A ROLE PARTNERSHIPS

AND THE SHARING OF KNOWLEDGE

AND TECHNOLOGY PLAY IN DEVELOPMENT.

WHAT WE ARE REALLY CELEBRATING TONIGHT

IS TWENTY-FIVE YEARS OF COOPERATION.

ON BEHALF OF A.I.D. I WANT TO SAY

THANK YOU

TO EVERYONE WHO HAS HELPED A.I.D.

ACCOMPLISH SO MUCH

FOR PEOPLE IN THE DEVELOPING WORLD.

LONG BEFORE I JOINED THIS AGENCY,

I WAS KEENLY AWARE OF THE ROLE OF SCIENCE

AND TECHNOLOGY IN DEVELOPMENT.

AS A PEACE CORPS VOLUNTEER,

I WITNESSED HOW THE MIRACLES OF MODERN MEDICINE

WERE GIVING NEW HOPE FOR LIFE TO LOW-INCOME FAMILIES.

PEOPLE WERE BEGINNING TO REALIZE THAT TOOLS OF SCIENCE COULD

KEEP THEM ALIVE.

AND IT CAME TO BE VERY CLEAR TO FAMILIES
THAT A WOMAN DIDN'T HAVE TO BEAR
TWELVE CHILDREN IN THE HOPE OF
THREE OR FOUR OF THEM SURVIVING.

WHEN I BECAME A.I.D. ADMINISTRATOR IN 1981,

ONE OF MY GOALS WAS TO ENHANCE THE CREATION AND TRANSFER OF
IMPROVED TECHNOLOGIES IN ALL SECTORS OF DEVELOPMENT.

TECHNOLOGY CREATION AND TRANSFER BECAME ONE OF THE FOUR PILLARS
OF THIS AGENCY'S ADMINISTRATION,
AND IT HAS REMAINED SO.

EQUALLY IMPORTANT IS INSTITUTION BUILDING --

CREATING AN ORGANIZED SYSTEM

THAT PROMOTES SCIENTIFIC AND TECHNOLOGICAL CHANGE
IN THE DEVELOPING WORLD.

I'D LIKE TO GIVE YOU A QUICK RUNDOWN OF
SOME OF THE MAJOR S & T BREAKTHROUGHS
THAT A.I.D. HAS BEEN PARTY TO
IN THE PAST SIX AND A HALF YEARS.

LET ME SAY AGAIN THAT
A.I.D. IS BUT ONE PARTNER IN
WHAT IS REALLY

A CONCENTRATION OF HOPEFUL
DEVELOPMENT BREAKTHROUGHS.

FIRST, I'LL TALK ABOUT
CHILDREN'S HEALTH.

THIS AFTERNOON,

I'VE HEARD SOME OF THE AMAZING

MEDICAL ADVANCES THAT ARE ON THE HORIZON

IN THE AREA OF IMMUNIZATION.

IMMUNIZATION IS ONE OF THE "TWIN ENGINES"

OF A.I.D.'S CHILD SURVIVAL PROGRAM.

THE OTHER IS ORAL REHYDRATION THERAPY.

WE'VE GOT EFFECTIVE PROGRAMS GOING IN 50 COUNTRIES

AND PARTICULARLY INTENSIVE PROGRAMS

IN 20 OF THESE COUNTRIES.

TODAY!

MORE THAN 50 PERCENT OF INFANTS AND CHILDREN IN THE DEVELOPING
COUNTRIES HAVE ACCESS TO ORAL REHYDRATION THERAPY.

AND TENS OF MILLIONS OF CHILDREN ARE BEING VACCINATED FOR
CHILDHOOD DISEASES, AND FURTHER PROGRAMS ARE BEING PLANNED.

THE ERADICATION OF POLIO FROM THIS HEMISPHERE HAS BEEN
UNDER TAKEN THIS YEAR WITH THE SUPPORT OF A.I.D., OTHER OFFICIAL
AGENCIES AND ROTARY INTERNATIONAL.

CHILD MARKETING

HAS BEEN A COMMON DEVELOPMENT TERM DURING THESE SIX YEARS.
INTENSIVE OUTREACH TO MOTHERS AND HEALTH WORKERS
THROUGH MASS MEDIA AND PRINTED MATERIAL
HAS ENCOURAGED CHILD SURVIVAL TECHNIQUES,
INCLUDING THOSE RELATING TO CHILD SPACING.

THE AREA OF IMMUNIZATION,

PERHAPS THE MOST SIGNIFICANT ARE THE STEPS
THAT HAVE BEEN TAKEN TO DEVELOP A MALARIA VACCINE.
THOSE OF YOU AT THE SYMPOSIUM THIS AFTERNOON
HEARD DR. WARREN OF THE ROCKEFELLER FOUNDATION,
WHO TOLD YOU HOW CLOSE WE ARE TO A SAFE VACCINE. . .
WE HAVE ALSO SUPPORTED WORK ON NEW AND IMPROVED VACCINES FOR
DIARRHEA, INCLUDING ROTAVIRUS, CHOLERA AND TYPHOID FEVER.
PROGRESS HAS ALSO BEEN MADE ON EVALUATING VACCINES FOR
RESPIRATORY DISEASES (MEASLES AND WHOOPING COUGH).

~~CONFIDENTIAL~~

A.I.D. HAS MAINTAINED ITS TECHNOLOGICAL LEADERSHIP
IN FAMILY PLANNING.

STOOD OUR GROUND. . .

TOOK SOME HEAT,

BUT OUR COMMITMENT TO FAMILY PLANNING IS STRONG.

WE KNOW FAMILY PLANNING WORKS.

WE KNOW PEOPLE IN DEVELOPING COUNTRIES

WANT SAFE, EFFECTIVE FAMILY PLANNING TOOLS.

WE ARE GOING TO CONTINUE TO SUPPORT THE KIND

OF FAMILY PLANNING PROGRAMS THAT

GIVE PEOPLE A CHOOSE THE NUMBER OF

CHILDREN THEY HAVE, AND WHEN THEY WANT THEM.

THE THIRD AREA WHERE AMAZING ADVANCES ARE TAKING PLACE
IS ~~AGRICULTURE~~.

A.I.D. COOPERATES HEAVILY WITH

U. S. UNIVERSITIES AND

INTERNATIONAL AGRICULTURAL RESEARCH CENTERS.

~~REMARKABLE~~ HIGH-YIELDING AND PEST-RESISTANT CROP VARIETIES HAVE
BEEN PRODUCED.

RESEARCH HAS LED TO:

1. THE HIGH-YIELDING, DROUGHT-RESISTANT SORGHUM VARIETY WHICH RECEIVED NOTORIETY DURING THE '85-'86 AFRICA DROUGHT.
2. BEANS AND COWPEA VARIETIES RESISTANT TO INSECTS AND DISEASES IN CENTRAL AMERICA AND AFRICA.
3. MATURE VARIETIES RESISTANT TO VIRUSES.

AMERICAN AGRICULTURE AS WELL AS OUR PARTNERS OVERSEAS ARE BENEFITTING FROM THESE DEVELOPMENTS.

WORK FOR THE INTERNATIONAL AGRICULTURAL RESEARCH CENTERS AROUND THE WORLD HAD BEEN CONTINUED AND EXPANDED DURING THE PAST SIX AND A HALF YEARS.

I SEE THAT TWO OF THESE CENTERS ARE BEING RECOGNIZED AT THIS ANNIVERSARY DINNER.

AN IMPACT EVALUATION UNDER THE GUIDANCE OF AN ADVISORY COMMITTEE CHAIRED BY FRANK PRESS, PRESIDENT OF THE NATIONAL ACADEMY OF SCIENCES, CLEARLY ILLUSTRATED THE REMARKABLE CONTRIBUTION THESE INTERNATIONAL CENTERS ARE MAKING.

THE CONSERVATION OF NATURAL RESOURCES
AND BIOLOGICAL DIVERSITY IS OF INCREASING CONCERN.
WE HAVE LED THE DONOR COMMUNITY IN CONSIDERATION OF
ENVIRONMENTAL ASPECTS OF DEVELOPMENT
AND HAVE BEGUN RESEARCH TO IMPROVE OUR EFFORTS.
JUST RECENTLY,
WE JOINED WITH THE NATIONAL ACADEMY OF SCIENCES
TO INITIATE A CONSULTATIVE GROUP ON BIOLOGICAL DIVERSITY TO
BETTER COORDINATE AND EXPAND BIOLOGICAL DIVERSITY ACTIVITIES.

PROGRESS IN AGRICULTURAL RESEARCH ALSO INCLUDES EFFORTS TO
STRENGTHEN THE NATIONAL RESEARCH CAPACITY, PARTICULARLY IN
AFRICA.

P A U S E

ONE OF THE MOST EXCITING AND REWARDING ACTIVITIES
HAS BEEN OUR ATTEMPTS TO HELP COUNTRIES STRENGTHEN THEIR OWN
SCIENCE AND TECHNOLOGY CAPABILITIES.
DECISIONMAKERS IN DEVELOPING COUNTRIES ARE ACCEPTING
SCIENCE AND TECHNOLOGY AS SIGNIFICANT DEVELOPMENT TOOLS.

FOR EXAMPLE,

ASIA, HELPED INITIATE A COLLABORATIVE PROGRAM WITH INDIA ON A NUMBER OF AREAS OF MUTUAL INTEREST TO OUR TWO COUNTRIES.

WE'VE ALSO ENCOURAGED INTERACTION WITH EGYPT AND WITH THAILAND AND HAVE PLANS UNDERWAY FOR SUCH RELATIONSHIPS WITH OTHER COUNTRIES.

AS YOU KNOW,

MASS COMMUNICATION IS PLAYING A BIGGER AND BIGGER ROLE IN DEVELOPMENT.

WE HAVE USED INNOVATIVE RADIO AND TELEVISION TECHNIQUES TO INCREASE THE EFFECTIVENESS OF PRIMARY EDUCATION.

WE CONTINUE TO SUPPORT UNIVERSITY DEVELOPMENT AND COLLABORATION BETWEEN U.S. AND OVERSEAS INSTITUTIONS. THE AGENCY'S PARTICIPANT TRAINING PROGRAM HAS ALMOST DOUBLED IN THE LAST FIVE YEARS.

EIGHT THOUSAND PARTICIPANTS WERE BEING TRAINED IN 1982.

WE EXPECT MORE THAN 17,000 TO BE PARTICIPATING IN EDUCATION AND TRAINING PROGRAMS THIS YEAR.

THIS IS BOUND TO HAVE A BIG IMPACT ON SCIENCE AND TECHNOLOGY IN DEVELOPING COUNTRIES.

~~So,~~

~~OUR~~ ULTIMATE GOAL IS TO HELP THE COUNTRIES
DEVELOP THEIR OWN
SCIENCE AND TECHNOLOGY CAPACITIES.

~~LET ME~~ CONCLUDE THE SAME WAY I BEGAN.

~~AS I~~ LEAVE THIS AGENCY,

~~I~~ WANT TO EXPRESS TO YOU

~~MY~~ SINCERE APPRECIATION AND THANKS

~~FOR~~ YOUR COOPERATION.

~~WITHOUT~~ THE PRIVATE VOLUNTARY ORGANIZATIONS,

~~WITHOUT~~ THE UNIVERSITIES,

~~WITHOUT~~ THE INTERNATIONAL RESEARCH ORGANIZATIONS,

~~NONE~~ OF THE ACCOMPLISHMENTS WHICH I DESCRIBED WOULD HAVE BEEN
POSSIBLE.

~~WE~~ EXPRESS OUR APPRECIATION TO YOU.

THE NEXT QUARTER CENTURY WILL,

WITH YOUR HELP,

SEE EVEN GREATER CONTRIBUTIONS FROM SCIENCE AND TECHNOLOGY TO
DEVELOPMENT.

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