

# Summer Conference on Political Development

sponsored jointly by  
the Agency for International Development  
and  
the Center for International Studies

Endicott House  
Dedham, Mass.  
June 24 - August 3, 1968

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Center for International Studies  
Massachusetts Institute of Technology  
Cambridge, Massachusetts

PARTICIPANTS :



Douglas E. Ashford



David H. Bayley



John T. Bennett



Richard V. Bernhart

No Photo Available  
*Bill Jones*

Joel Bernstein



Robert Black



Ralph Braibanti



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Keith Smith



Peter R. Weitz



James L. Dorsey



Kathy Gallery



Barbara Gifford



Catherine P. Saxton



Thomas MacAteer



Mrs. Elim O'Shaughnessy



Friday Morning A plenary meeting of all participants with members of the visiting Congressional group.

Afternoon Meetings of the informal discussion groups with the visiting Congressional group to discuss issues of major concern to the conference.

Second week - July 1-5

1 Monday Morning Discussion of issues remaining from the first week.

*John Adelman*

Afternoon Country briefings of AID activity within the framework of political and social development:

KOREA: Joel Bernstein and Princeton Lyman  
NIGERIA: W. Haven North  
Discussant: Joel Bernstein

*John Adelman*

2 Tuesday Morning Discussion of issues remaining from the first week.

Afternoon Continuation of country briefings:

*(tentative)*  
BRAZIL: Donald Palmer and Donor Lion  
ALLIANCE FOR PROGRESS: James Fowler

3 Wednesday Morning Continuation of country briefings:  
NEPAL: John Cool  
THAILAND: Sheldon Turner

Afternoon "Functional" working groups to meet.

*ISSUES LISTING*

4 Thursday Morning Continuation of country briefings:  
VIETNAM: John Bennett and Vincent Puritano  
Discussant: Samuel Huntington

Afternoon "Functional" working groups to meet.

*ISSUES LISTING*

5 Friday Morning Continuation of country briefings:  
PHILIPPINES: Calvin Cowles  
Discussant: Richard Bernhart  
~~ETHIOPIA: Charles Nelson~~  
~~LIBERIA: James T. ...~~

Afternoon "Functional" working groups will meet.

*PLenary SESSION ON ISSUES*

Third Week - July 8-12

"Functional" working groups will meet all week.

Fourth Week - July 15-19

"Country" working groups will meet all week.

SUMMER CONFERENCE ON  
POLITICAL DEVELOPMENT

List of Participants

Non-Government

Douglas E. Ashford ✓  
David H. Bayley ✓  
Ralph Braibanti ✓  
George Dalton ✓  
Tom J. Farer ✓  
Marcus Franda ✓  
Lester Gordon ✓  
Everett E. Hagen ✓  
David Hapgood ✓  
Princeton Lyman ✓  
Max F. Millikan ✓  
John D. Montgomery ✓  
Joseph S. Nye, Jr. ✓  
Guy J. Pauker ✓  
John N. Plank ✓  
Lucian W. Pye ✓  
Paul Seabury ✓  
Myron Weiner ✓  
Howard Wriggins ✓

Government

John T. Bennett VN ✓  
Richard V. Bernhart LA ✓  
- Joel Bernstein A ✓  
Robert Black Costa Rica ✓  
Donald Brown ✓  
John C. Cool Republic of India ✓  
Calvin D. Cowles Thailand ✓  
Grant G. Hilliker Brazil ✓  
John A. Hoskins PRC ✓  
Eric G. James Liberia ✓  
John H. Kean Singapore ✓  
Donor M. Lion PRC ✓  
George Marotta ✓  
Charles J. Nelson X ✓  
Vincent Puritano VN ✓  
Lewis Purnell Japan - Indonesia ✓  
John Schott PRC ✓  
Jonathan Silverstone G G ✓  
Charles J. Stockman Thailand ✓  
- Erik Thorbecke PRC ✓  
Thomas W. Thorsen Tanzania ✓  
- Gil Carter PRR ✓  
- Sam Willen Congo R. ✓

6/7/68

NY  
Tiller, J. [unclear]

(Letter to a constituent who supports Foreign A. I. D. and who has asked the Congressman for his reasons for voting for the A. I. D. Program.) 6/27/66

Dear :

I am in receipt of your recent letter requesting explanatory materials on the United States foreign aid program. I am deeply appreciative both of your effort to bring light to this area where misinformation is so prevalent, and of your difficulty in doing so in the face of general antipathy. I am happy to respond with several items which I believe you will find useful being sent under separate cover.

I fear that for a decade and more appeals to the altruism and the generous nature of the American people have been over-stressed in attempts to gain the requisite support for the foreign aid program; the all too rational and legitimately self-interested basis of the program has been under-stressed for reasons of diplomacy (among others).

In fact, the foreign aid program is an integral part of American international strategic practice. Stated in the broadest terms, a useful concept in understanding the A. I. D. program is as follows: The United States is a "satisfied power"; we prosper with ample natural resources; we trade profitably in every quarter of the globe and are everywhere influential; in short, we desire to avoid major upheavals that would substantially change the structure of world power. We know, however, that in a world in which two-thirds live in underdeveloped nations and over one-half live in malnutrition, there must be rapid evolutionary progress if waves of revolutionary, totalitarian fanaticism and desperate, military wealth-grabbing are to be avoided. We know also that there are "unsatisfied powers" who would welcome and stimulate what has been called a "revolutionary fire-storm to sweep the countryside of the world and isolate its cities." Thus, we go about applying United States aid to stimulate that progress, diffuse revolutionary fervor, render totalitarian economic organization unnecessary, and to maintain substantial influence in the three underdeveloped continents.

The goal then is growing world political stability sought by means of underwriting reasonable rates of economic and social progress. Certainly this is not foolish or reprehensible, but neither is it really a matter of disinterested altruism. We are not through A. I. D. seeking gratitude, good will, and good conscience so much as we are seeking a world in which the United States may continue to prosper in security and strength.

A/7  
Dillon presentation  
6/27/68

One is tempted to observe here that we are, perhaps, bargain-hunting. (2.)  
On an average we spend about \$3 billion yearly on A. I. D. out of a gross national output of \$830 billion (less than one-half of one percent). Certain other nations, including France, spend more on foreign aid per taxpayer than the United States. And it is worth noting that where our efforts at stabilization fail and violent totalitarian revolutionaries capture substantial support as in South Vietnam, we may spend over \$25 billion yearly on war, not to mention the cost in lives and human suffering. The A. I. D. program shares many of the difficulties of any effort in preventative medicine; when it succeeds, nothing dramatic happens and very probably dreadful occurrences drift into the speculative realm of history's "might have beens."

Our expenditures in the A. I. D. program are largely "tied" to United States purchases. That is to say that the United States grants foreign credits, for example, to buy 50 tractors from American firms. The tractors are delivered abroad, the United States Government pays the U. S. manufacturer who pays his employees, etc. This money does not leave the nation, and our own economy is stimulated in the transaction. There is further information on this spending pattern in Chapter VI of the A. I. D. Program Presentation which I am sending to you. Another item outlines the Tennessee share of A. I. D.-financed business.

None of the foregoing is meant to excuse blunders that have been made in the program; no one had ever attempted a program of this sort before and we had to make our own mistakes in the learning process. And none of the foregoing is intended to denigrate the splendid and spontaneous warmth of the American people who have poured roughly \$120 billion (loans and grants) worth of medicines, machinery, food, items for the common defense, fertilizers, books, training and clothing into needy nations since 1945. This is indeed an unprecedented sustained performance. But it has not been a "giveaway program," and in the crucial realm of international relations; it is pretty clearly not a matter of disinterested charity.

I hope the selected items and these comments will be of use to you in your excellent work. Please call on me again whenever you feel I might be of service.

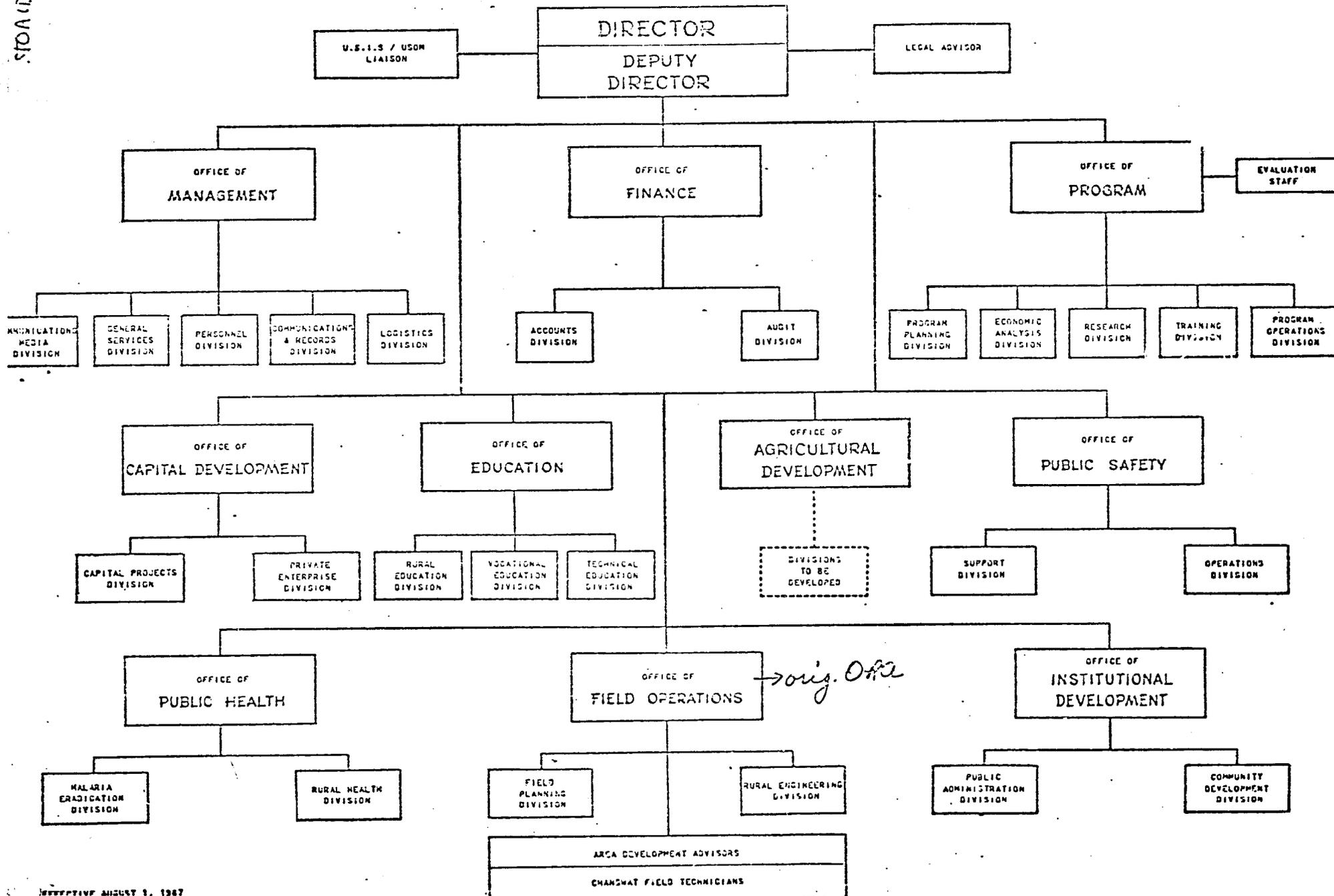
With kindest regards and very best wishes.

Yours sincerely,

William R. Anderson

STANDARD 17-2

# USOM THAILAND



# House Panel Says a Drastic Cut in Foreign Aid Could Cause 'New Crises'

By FELIX BELAIR Jr.

Special to The New York Times

WASHINGTON, June 26 — The House Foreign Affairs Committee warned today that a suspension or drastic reduction in the \$2.33-billion foreign aid program it voted last week could "provoke new crises" in United States relations abroad.

In a report on the authorization legislation, the committee majority said the nation's defense strategy would be jeopardized if Congress cut aid funds by more than the \$800-million already pruned from the measure.

The panel had voted 24 to 9 to approve \$1.97-billion for economic loans and grants and \$390-million for military aid grants in the fiscal year, beginning July.

A new note of urgency was added to the military aid

request today in testimony by Secretary of Defense Clark M. Clifford. He told the committee that a separate request for \$120-million to finance arms credit sales to friendly countries had become all the more imperative since the breakdown of United States negotiations for regional arms control agreements.

Mr. Clifford testified that there had been "no appreciable progress" toward regional arms control agreements either in Latin America or in the Middle East. At the same time, he said, the Soviet Union has put a substantial fleet in the Mediterranean "for purposes that are not benign" and has re-armed Arab states and returned their war potential to what it was before the Israeli conflict.

"We are deeply concerned about these developments," Secretary Clifford said. "It would be

catastrophic if the United States decided to go it alone and build up its own military strength without trying to maintain the strength of its friends abroad.

"The freedom of the United States and the world from war depends on the number and the strength of our friends — not on our own internal strength."

In addition to the \$120-million of new funds, the bill would authorize the transfer of \$190-million of Export-Import Bank funds to the Pentagon for making arms credit sales. But it would impose an arbitrary ceiling of \$250-million on such sales, whether for cash or credit or through Pentagon guarantees of privately financed arms sales.

Secretary Clifford said the United States would provide a total of about \$1.3-billion of arms aid to friendly countries

and allies in the year ahead. The total included \$120-million of grants under the foreign aid program — already cut to \$390-million by the House committee — and \$417-million of sales financed by private banks.

### House Panel's View

In reporting the aid authorization to the House, the Foreign Affairs Committee said:

"If those responsible for directing United States foreign policy were to be prevented from making use of the programs authorized by the Foreign Assistance Act, substantial changes would be necessary not only in the conduct of our foreign affairs but also in the basic objectives toward which our foreign policy has been directed.

"Nations which have accepted obligations to join with us to implement a common defense

strategy depend on the United States for both military and economic assistance."

The report said some of those favoring elimination or drastic revision of the aid program hoped in that way to force fundamental changes in United States foreign policy. Others favor major reductions in aid as a solution to the financial problems of the nation, regardless of the consequences to United States relations with other nations, the panel said.

### A Danger Seen

"It is important to recognize, however, that there are nations cooperating with the United States in our efforts to alleviate current conflicts which depend on our assistance," it said. "There are governments which, with our approval, have committed themselves to policies and programs which cannot

continue without United States assistance."

"No one should ignore the danger that a suspension or drastic curtailment of United States assistance could jeopardize current negotiations and provoke new crises."

A minority report by several Republican members said that authorization measure should have been cut \$400-million more. Representative E. Roy Adair of Indiana said that would try to make the additional cut when the bill reaches the floor on July 9.

"The proposed further cut would result in a total reduction of about \$1-billion from the Administration request," Mr. Adair said. "This would provide an authorization of about \$1.3-billion—a third of a billion less than last year's final dollar appropriation."

John R. Schott  
June 28, 1968

For the information of participants, the following amendment to Title IX of the FAA has been offered this year by Congressman Fraser and was accepted by vote of the House Foreign Affairs Committee last week:

TITLE IX - UTILIZATION OF DEMOCRATIC INSTITUTIONS  
IN DEVELOPMENT

Sec.109, Section 281 of the Foreign Assistance Act of 1961, as amended, is amended as follows:

(a) at the end of subsection (c) add the following new sentence: "In particular, emphasis should be given to research designed to increase understanding of the ways in which development assistance can support democratic social and political trends in recipient countries."

(b) At the end of section 281, add the following new subsection:

"(e) In order to carry out the purposes of this title, the agency primarily responsible for administering part I of this Act shall develop systematic programs of inservice training to familiarize its personnel with the objectives of this title and to increase their knowledge of the political and social aspects of development. In addition to other funds available for such purposes, not to exceed 1 per centum of the funds authorized to be appropriated for grant assistance under this chapter may be used for carrying out the objectives of this subsection."

### 3. Title IX: Foreign Assistance Act of 1966

#### a. Section 281: Title IX - Utilization of Democratic Institutions in Development

In carrying out programs authorized in this chapter, emphasis shall be placed on assuring maximum participation in the task of economic development on the part of the people of the developing countries, through the encouragement of democratic private and local governmental institutions.

#### b. Excerpts from House Report 1651: Title IX - Utilization of Democratic Institutions in Development

Section 106 of the bill also amends chapter 2 of part I of the Foreign Assistance Act by inserting a new Title IX relating to the utilization of democratic institutions in development.

The language of the new Title IX directs that in carrying out programs of U.S. development assistance, emphasis shall be placed on assuring maximum participation in the task of economic development on the part of the people of the developing countries, through the encouragement of democratic private and governmental institutions.

Over the years, in exercising legislative oversight with respect to the administration of the foreign assistance program, the committee has observed that there is a close relationship between popular participation in the process of development, and the effectiveness of this process.

As a consequence, the committee has written a number of provisions into the Foreign Assistance Act and its predecessor statutes, urging that economic and technical assistance be used to stimulate the development of local programs of self-help and mutual cooperation through such measures as loans to small farmers; encouragement of cooperatives, labor unions, and savings and loan-type institutions; utilization of voluntary agencies; and support of integrated programs of community development designed to promote stable and responsible governmental institutions at the local level.

The committee finds that despite these periodic expressions, popular participation in the tasks of development is increasing at a very slow rate. The great potential for planning and implementation of development activities, contained in the mass of the people of the developing countries, is still largely untapped, which slows down

the achievement of the objectives of the foreign assistance program. On the contrary, it has become increasingly clear that failure to engage all of the available human resources in the task of development not only acts as a brake on economic growth but also does little to cure the basic causes of social and political instability which pose a constant threat to the gains being achieved on economic fronts.

For these reasons, the committee has proposed the language embodied in the new title IX. This language directs that new attention and emphasis be given in the administration of U.S. development assistance programs to the goal of attaining a larger measure of popular participation in development. This goal can best be achieved through the fostering of cooperatives, labor unions, trade and related associations, community action groups, and other organizations which provide the training ground for leadership and democratic processes; through making possible increased participation of such groups and of individuals in the planning, execution, and evaluation of development undertakings; through broader and more effective utilization of the experience and resources of existing private and voluntary organizations; and, generally, through the building of democratic private and public institutions on all levels--local, state, and national.

The achievement of the basic objectives of the new title IX may require: (a) change in the approach of the Agency for International Development and the assignment of higher priorities to the intermediate objectives outlined in the foregoing paragraph; (b) strengthening of the Agency's capability to identify, in cooperation with the governments of aid-receiving countries, the existing and latent democratic forces which can aid in the development process; and (c) increased reliance upon nongovernmental organizations with a demonstrated competence to enlist popular participation in the development process.

The committee plans to keep close check on the manner in which the intent of this new title IX is carried out. The committee expects the Agency for International Development to bear in mind the purposes put forth in this title in preparing specific projects and programs--and to develop, and use in its next presentation to the Congress, meaningful criteria for judging the results of this effort. Such criteria ought to include information about the extent to which the population and key groups of each aid-receiving country are involved in such institutional development. AID's reports should evaluate American assistance not only in economic terms, but also in terms of the extent to which our aid encourages democratic processes.

## REPORT TO THE CONGRESS

### ON TITLE IX

#### Introduction

During the seven months since the passage of Title IX, AID has sought to develop a policy framework within which this provision could be implemented. This effort, in Washington and the field, revealed that Title IX has policy implications, and points to opportunities, which go beyond previous AID activities and traditional economic development considerations. Title IX requires AID not only to consider new types of activities, but to view the developmental process in different and much broader terms than before: it will not do simply to relabel and multiply on-going AID activities consistent with Title IX's objectives. It is evident that the successful, long-run implementation of this provision requires a serious and extensive analytical effort on the part of the Agency into aspects of the developmental process to which inadequate attention has hitherto been given. As the House Committee indicated, Title IX involves AID in a new approach toward development.

It is nevertheless evident that over the years, the Agency has engaged in a wide variety of activities which have usefully contributed to the objectives of Title IX. AID, therefore, will be able to draw upon some of its experience in developing an effective response to this title. (Some of these activities are discussed in the Appendix to this Report.)

Whereas our activities since 1961 have been directed largely to quantitative LDC growth targets, Title IX focuses on the less quantifiable institution-building characteristics of the modernization process. Its purpose is to involve an increasing number of people in the development process, which means we have to find new and imaginative ways of eroding the essentially "enclave" nature of these societies, not only in the economic, but also in the social and political spheres. Such a "new approach" on the part of AID will require greater understanding of the ways in which the attitudes of the masses of people in the LDC's can be changed so as to engender a desire and interest on their part to become involved in development--either individually or through group action. It will require a thorough examination of the institutional framework of host governments to identify, as the House Committee on Foreign Affairs noted, those latent democratic forces and dormant or developing institutions in the public and private sectors which can be transformed to help democratize and pluralize these societies in the interests of long-run stability and sustained economic and social progress.

As much as 80 percent of the population in many LDC's does not truly participate in its country's social, political, and economic progress. This constitutes a vast waste of human manpower, entrepreneurial talent, innovative thought, and creative productivity. Simply by adding our resources to the LDC's, the United States can have only a marginal impact on their growth potential. But, in cooperation with host governments, it can effectively catalyze increasing participation of the populace in solving their own problems, both individually and collectively and in both the private and public sectors. In short, Title IX suggests an emphasis upon activities designed to reach larger numbers of people with our aid, so that they benefit more directly from it and, just as importantly, so that their creative participation will, in turn, contribute substantially to modernization and development. It calls for giving greater attention to the building of viable public and private institutions which can channel the vast creative energies of the people into constructive developmental endeavors.

### I. The Policy Framework

Our work to date suggests that Title IX cannot be implemented within the framework of a "grand strategy" of democratic development, applicable in all parts of the world. Rather, it requires a more selective, discriminating and flexible approach. Aid-recipient countries should be helped to identify their own problems of development and assisted in building viable institutions in accordance with their own traditions and self-identified needs. A global formula which seeks to export American-style democratic institutions would not be appropriate or useful. Nor should we attempt to manufacture unique institutional solutions to host-country problems, and simply expect them to take root upon our insistence.

We have concluded that Title IX should be implemented on a country-by-country basis, in open cooperation with host governments. AID will be guided by several principles--for example, the conviction that a government responsive to the expressed needs of its people is the best kind of government and that a considerable degree of governmental decentralization is frequently required for this to occur. We believe that economic growth and a steady evolution toward social justice are in large part dependent upon the opportunity afforded the citizenry to participate freely in the economic, cultural and political life of their country. But these beliefs do not mean that it is proper or wise for us to seek to determine the institutional arrangements by which the aspirations of a people become known to their government, or the specific ways in which that government should choose to respond to them. Recognition of the need for institutional diversity among countries, no less than diversity within each country, is part of a sound approach to the carrying out of American foreign assistance

policy. Title IX, therefore, requires an undogmatic approach to development. It requires that we seek, perhaps only by indirection, to develop indigenously-rooted self-governing institutions and to provide expanding opportunities for the millions of these people to achieve individual self-expression in accordance with their own traditions and cultural predilections.

In more operational terms, the policy framework will reflect three themes:

(1) A pragmatic approach will be pursued which responds to the differing needs and capacities of aid-recipient countries with a wide variety of activities and programs. The principle of popular participation will provide a major guideline for the selection or redirection of activities in support of Title IX. The actual form that participation takes will depend upon the social, political and cultural environment of each country. Whatever is done in the way of project activity will be related to these differing conditions.

(2) A cooperative effort between AID and host countries will be attempted in order to identify the most appropriate means to solve individual country development problems. In some countries this may mean only reprogramming on-going activities to take Title IX objectives more explicitly into account. Elsewhere, it may mean giving greater priority to the intensification of traditional activities which have successfully contributed to democratic development. In others, it may mean seeking new ways of increasing the capability of host-country institutions to respond to the expressed needs of the people, and of providing the people with mechanisms to broaden their horizons, participate in developmental ventures, and achieve personal advancement.

(3) More comprehensively than before, AID will view development as a multi-faceted process, involving inter-connected social, economic and political factors. These must all be systematically taken into account in our programming strategies if orderly and self-sustained progress is to be stimulated, and if it is to be more fully shared by the overwhelming majority of populations. For this reason, no single aspect of the development process and no single sector of a country's institutional fabric will necessarily be singled out for separate program emphasis. We intend, rather, to respond as appropriate and feasible to host-country needs as they are carefully identified within a broadly-conceived analytical framework. In our programming strategies we will encourage our LDC partners to pay increased attention to the private sector, and to enable the broad population to become actively engaged in developmental ventures.

Further attention will therefore also be given to utilizing private channels for the provision of American assistance, and to developing non-governmental counterpart institutions and groups in host countries for development purposes.

## II. Initial Steps Taken by the Agency

As a first step in developing a program response to Title IX a major policy message was sent to all field missions in November of last year. This message directed the attention of missions to three needs:

(1) The need for more systematic identification of opportunities to help host countries strengthen their governmental and political frameworks in order to accelerate economic and social progress;

(2) The need for greater attention to the impact of our assistance programs as a whole on progress toward administrative competence, national integration, and the development of legal and democratic institutions at all levels of the society; and,

(3) The need for more imaginative consideration of specific ways to strengthen and animate a wide variety of public and private institutions of authority and power, particularly at the local level, and to increase popular participation in significant development activities.

The message also requested twenty-two selected missions to make a thorough analysis of these needs within the context of their country situations and program strategies, and to suggest specific ways in which Title IX might be implemented in their country.

Paralleling this field effort, the four regional bureaus in AID/Washington took an inventory of all on-going activities which appeared to contribute to the objectives of Title IX. Complementing this effort, the Office of Program Coordination, responsible for the initiation and coordination of the Agency's response to Title IX, began a dialogue with all offices in AID/Washington and with other governmental agencies and private individuals and groups in order to identify and draw upon existing expertise and experience in this area.

These efforts have:

(1) Tentatively identified a number of countries where systematic program action in support of Title IX appears particularly appropriate. Criteria used in arriving at this preliminary identification included: likely host government receptivity to such activities; the existence of program opportunities relating to important development problems

specifically falling within the Title IX mandate; the existence of on-going programs which can be in part restructured so as to make a substantial contribution to the objectives of Title IX; and, the presence of AID officials in the Mission with the experience and analytical capacity to cope with these relatively new problem areas;

(2) Identified a broad range of particular activities--such as training programs, public administration projects, the development of cooperatives, and the encouragement of labor unions and savings and loan institutions--in which the Agency has built up a reservoir of experience upon which it can draw in designing future project activity in support of Title IX;

(3) Identified a broad range of development problems which, for a variety of reasons, the Agency has seldom before systematically tackled, but which, given Title IX and increased Agency competence in these areas, are amenable to specific program action in the foreseeable future. These would include the modernization of local governmental units, the development of legal institutions and the improvement of means of communication between the grass-roots level of society and the central government.

These efforts pointed up four important findings which require attention at an early date:

(1) The quality of personnel required to be effective in addressing the problems to which Title IX directs our attention is unusually high. AID's past emphases have led to heavy reliance upon personnel with experience and expertise in the economic, technical and quantitative aspects and measures of development and modernization. The need to focus on popular participation, democratic institution-building and social modernization, which only partially overlap with the more traditional approaches to development, calls for a widening of AID's existing analytical and technical capabilities. New problems, new directions require new and higher skills.

(2) Title IX cannot be effectively implemented on an ad-hoc, project-oriented basis. Although in particular countries certain new projects undoubtedly will be undertaken, these must systematically reinforce and give a broader dimension to current activities. This approach will require the development of more broadly-based assistance strategies in those countries where we shall initially focus our activities in the Title IX field. This in turn will require a substantial research effort to determine what sort of democratic development can reasonably be expected in these countries. Only within such a relevant strategic framework, desired and supported by the host government, can we and the developing countries achieve our mutual objectives in the context of Title IX.

(3) Action in support of this new provision should not be the sole responsibility of AID. The policy implications of Title IX concerns the entire U.S. foreign policy community as well as many private and voluntary agencies working abroad. A number of activities in which AID might become engaged can be performed more effectively by non-governmental agencies. It is therefore important that channels be developed through which the efforts of private groups and other governmental agencies can be systematically and openly engaged in developing a coordinated response to Title IX. AID expects to play a leading role in establishing methods of liaison among these various groups and agencies.

(4) A most difficult task is the development of meaningful criteria by which to judge our success in implementing this provision. Our analytical efforts to date, and our discussions both within and outside the Agency, have indicated that such criteria must be devised within the following framework:

(a) Criteria must be developed on a country-by-country basis. No general theory of modernization in the broad developmental terms of Title IX exists. Nor is it likely to be produced in the near future. Once developed, such a theory may have only limited operational significance for AID. Thus, for example, the extent to which popular participation can be encouraged is a function of a particular country's largely unique social, cultural, and political circumstances. For this kind of reason, it is unrealistic to await the development of a general theory of modernization before preparing operational guidance for relevant program action in particular countries. Instead, we intend to develop evaluative criteria based upon our growing understanding of patterns of institutional change, of the constructive directions towards which developing societies are moving, and of the democratic values and goals upon which we and the host countries, in partnership, can build.

(b) Qualitative considerations must be foremost in the development of such criteria. At the project level, some meaningful quantifiable data might well be obtainable as an index of success--the number of schools built, the number of participants trained, the number of cooperatives formed, the number of sub-loans made by intermediate credit institutions, the number of people involved in a community self-help project. Such data, however, are partial indices at best. No less important than the number of people participating in a given activity is the manner and form of their participation. Success in implementing Title IX means, for instance, that the institutional durability of a cooperative, and the manner in which its services are truly utilized, are every bit as important as the number of its members. A properly functioning local magistrate's court is no more effective a developmental institution than the

equity of its judicial output. A doubling of the number of local courts is no necessary measure of Title IX success. The degree to which local government officials are actually responding to the needs of their constituents is not necessarily measured by the degree of activity at the polls: a 90 percent turnout of the electorate is not a useful index if there are no meaningful alternatives among which to choose. The extent of democratic development in a country clearly does not easily lend itself to quantification.

(c) The development of criteria should reflect the fact that institutional, social, and attitudinal changes require a longer time-perspective than we are often accustomed to use. Balance of payments equilibrium and satisfactory levels of national investment can be attained in a few years. But for a country to engage in those fundamental modernization activities envisaged by Title IX is a long-run process. If we are to be successful in implementing Title IX, the developing countries, the Congress and AID must all extend the time framework within which they view the problems of development and the proper role of foreign assistance.

### III. Additional Agency Actions

The preceding section has discussed four problem areas identified by our initial analytical efforts. The Agency is responding to these as follows:

(1) An Intra-Agency Committee on Title IX has been established to assist in developing a thoughtful and coordinated response to Title IX and to act as a continuing forum for the exchange of ideas and information on Title IX within the Agency. Composed of fourteen senior officers representing both regional and functional offices, the Committee has now held the first two of a series of meetings which will take place over the ensuing weeks.

To work with this Committee, and to give analytical focus and conceptual stimulus to its undertakings, a counterpart group of outside experts in the fields of social and political development is being established. The responsibilities of these two groups will include:

--- continuing review and analysis of all activities undertaken by the Agency in support of Title IX;

--- identification of projects suitable for implementation in support of Title IX, and submission, where appropriate, of recommended means by which they can be integrated into on-going programs in particular countries;

--- determination of research priorities in those areas to which Title IX directs our attention, and the screening of relevant research proposals as they are developed;

--- development of a series of policy guidelines and related resource material for the assistance of missions in developing their program response to Title IX.

(2) Several steps are being taken to develop the Agency's analytical capacity to consider developmental problems within the broad framework outlined above. As a part of the reorganization of the Office of Program Coordination, several new positions are being created to bring officers with established competence in the fields of social and political development onto the Agency's permanent staff. In addition, the Agency is actively seeking to expand its consultant rolls with a carefully selected group of outside experts in these same fields. It is expected that these consultants will provide the Agency with advice on useful research having immediate program implications in support of Title IX and on the development of meaningful criteria by which to evaluate our success in these areas.

A serious effort is also being made to attune AID officials to the Title IX dimension of their responsibilities. For this reason, the Training Division of the Office of Personnel Administration is currently developing several programs designed to increase the capability of the Agency's staff to work more effectively in the broad policy and action fields of politico-economic development.

These include:

--- establishing in-house training and orientation programs address to our Title IX responsibilities for current staff, incoming AID officers, and contractors' employees. One specific program which is being further developed in the light of Title IX is that of the Far East Training Center in Hawaii which trains new employees for rural development work in Vietnam;

--- developing a long-term relationship with the Fletcher School of Law and Diplomacy at Tufts University to provide in-service training for senior and middle grade officers in the fields of development diplomacy and political and social modernization;

--- establishing a regularized procedure for Title IX discussions with Mission Directors and field staff as they come into AID/Washington.

Under consideration also are ways of maintaining a continuing dialogue between AID/Washington and our Mission staffs by the utilization of

seminars in the field, the holding of a major policy-oriented conference next year on Title IX involving top mission personnel and outside experts, and ad hoc briefing sessions and private conferences between Washington staff members and program officers in the field. One such trip by an AID/Washington staff member to brief selected missions on Title IX has already taken place, and another is scheduled for June.

Additional messages and descriptive material are regularly being forwarded to the field as the policy framework for the implementation of Title IX becomes more clearly defined. It is apparent that the wide circulation of this material, and the number of staff conference in the field based upon it, are serving a useful educational role. The circulation of such material should increase substantially in the forthcoming months as staffing needs in AID/Washington are met, and the Intra-Agency Committee on Title IX moves forward in its work.

(3) The allocation of research funds for relevant studies will constitute an essential element of Title IX's implementation. Priority will be given to research which:

(a) examines the political and social obstacles to development in those countries where the opportunities appear especially advantageous for launching action programs, in cooperation with host governments, under the Title IX mandate;

(b) evaluates relevant past and on-going Agency activities to determine the extent to which they have contributed to Title IX objectives and explores the possibility of applying this experience throughout the Agency;

(c) seeks to ascertain methods of arriving at meaningful criteria, applicable to particular country situations, by which AID can appraise the results of its activities in support of Title IX on a continuing basis.

The end results of these efforts should be: (1) the clarification of our country programming objectives in the light of Title IX by gradually determining what sort of democratic development, in which sectors or what spheres, can be reasonably expected of particular countries; and (2) the identification of what sorts of activities it would be most feasible and justifiable over the long-run for AID to consider undertaking, or to encourage other agencies or non-governmental organizations to undertake.

Discussions have already taken place with the academic community and research institutes in connection with these research needs. Research proposals are currently being screened, and others are being stimulated.

Three Summer Research Program consultants have been contracted to perform field research this year in support of Title IX. A relevant evaluative study of the Loyola University leadership training course for the youth of Central America has been completed. Field missions have also been encouraged to consider special studies relating to Title IX during the forthcoming year. An immediate review is planned of the operations and success of the Thai Mission's interdisciplinary Research Division, and an examination will be made of the usefulness of establishing similar divisions in other missions to undertake continuing research on Title IX matters.

One major evaluative effort under way concerns the transferability of the mechanism of the Joint Commission on Rural Reconstruction (JCRR) in Taiwan. Chapter 7 of the Foreign Assistance Act of 1966 encourages the further application, where appropriate, of the successful experience AID and its predecessor agencies have had in supporting this joint commission approach to rural development.

Viewed through our experience with the JCRR, Chapter 7 suggests an approach to the administration of aid to the rural sector which closely relates to the objectives of Title IX. For this reason, several months ago AID launched an exploratory, action-oriented study of the alternatives and problems which would be involved in adapting JCRR, or some of its features or techniques, to other aid-recipient countries. Possibilities for facilitating Title IX initiatives through our Chapter 7 authority were an integral part of the study's terms of reference. This study, now being prepared by a small Agency task force, is to be completed within the next few months when its findings will be transmitted to Congress.

#### IV. Forthcoming Actions

The initial phase of the Agency's response to Title IX has now been completed.

- The policy framework has been established.
- Analytical and research efforts have been initiated.
- A serious action-oriented dialogue has begun between AID/Washington, its overseas missions and the private American community.
- Appropriate organizational, procedural and personnel actions, including in-service training and staff recruitment, have been initiated.

This phase was designed and carried out with deliberation. AID wished to respond fully to Title IX without producing counterproductive results by ill-considered action for its own sake. The springboard for a more rapid advance toward the program implementation of Title IX has therefore been built. Future progress can involve a variety of program actions, guided by the principles and lessons of the past, and given new thrust

and emphasis by the Agency's Title IX mandate. In the forthcoming months, the following actions can be foreseen:

(1) The effort to implement this provision in a broad, strategic way, rather than on an ad hoc, project-by-project basis, will be accelerated. By this means, Title IX will become firmly "institutionalized" as an approach to development and modernization rather than as just another separate, temporary priority.

(2) The effective integration of Title IX objectives and a more broadly-construed approach to development in the planning and programming activities of the Agency will be attempted in four or five selected countries. Additional project action contributing to the objectives of this Title will be launched on a pilot basis in additional countries.

(3) Initial steps on personnel, organization, training, and the coordination of AID's Title IX activities with those of other government agencies and with private groups will be completed.

(4) The evaluation of past Agency experience, relevant to Title IX, will commence, and our findings blended with on-going and new research to enhance the Agency's capability to carry forward in these new areas effectively.

In working with the developing countries, especially in the Title IX area, the Agency will reflect its belief in the need for a mutually-endorsed, self-help approach. Our activities will reflect the belief that these countries are, in the last analysis, responsible for determining what sort of development they want, how it should occur, and the extent and nature of U.S. and other foreign assistance. As the Foreign Assistance Act states, AID's continuing role will be that of a partner, aiding the peoples of less developed friendly nations "to realize their aspirations for justice, education, dignity, and respect as individual human beings, and to establish responsible governments."

Over the years, AID has engaged in a wide variety of activities which have contributed to increasing popular participation in development. Many of these programs seek to strengthen institutions below the central government level and to harness the creative energies of people for purposes of development.

Title IX-type activities have been stimulated by a series of legislative enactments dating back to the Point IV programs. For example, the Humphrey Amendment of 1961 emphasized the significance of cooperatives and popular participation in democratic growth. The Zablocki Amendment of 1962 then stressed the role of community development in achieving similar objectives. Title IX was enacted in 1966, and provided greater breadth and further direction to the Agency's efforts to reach greater numbers of people, and to help develop self-supporting institutional frameworks within which modernization and development can take place.

The activities undertaken to implement earlier Congressional mandates have been described and referenced in previous reports to the Congress. In this Appendix, it may be useful to summarize some on-going Agency activities which contribute to the objectives of Title IX, thereby providing the Agency with valuable experience upon which to draw in developing a program response to Title IX.

In the text of this report, for instance, the Joint Commission on Rural Reconstruction in Taiwan was mentioned. This Commission has been an effective medium for encouraging the involvement of local agents and decision-makers in the development process. By having furthered the spread of economic and political pluralism in the rural areas of Taiwan, the JCRR is an example of our assistance being successfully addressed to the Title IX objectives of popular participation and democratic institution-building.

Similar objectives have been addressed in other countries by activities directed at the private sector. For instance:

--- the mobilization or expansion of local sources of capital for private ventures by the development of intermediate credit institutions which can disperse small loans among broad sections of the population;

--- encouraging the liberalization of import restrictions as a means to stimulate the growth of private, small and medium-size enterprises and to develop pluralistic counterweights throughout the society to excessive governmental centralization and bureaucratic controls; and,

--- assistance to cooperatives, credit unions, and savings and loan associations to make more investment capital available at the grass roots level of society. During 1966 alone, AID assistance affected some

30,000 cooperatives and credit institutions having a combined total of 9.8 million members in 46 different countries.

Other programs have been directed toward the public sector, also at the local level. The Rural Works Program in East Pakistan is a noteworthy example. Here rural development activities have been undertaken by local governing units, enabling large numbers of people to be involved both in the initiation and implementation of development projects. The Developing Democracy Program in Thailand and the Panchayat Development Program in Nepal are two other examples of activities which seek to invigorate local governing institutions and, in so doing, encourage democratic development at the grass roots level. The Philippine Community Development Program fostered local self-government by preparing legislation, facilitating its enactment, and training some 210,000 barrio leaders in their elected roles.

The AID-assisted Cooperacion Popular in Peru also emphasizes popular participation in development. This government agency channels technical and material assistance to communities for small infrastructural projects primarily in rural areas. Designed to increase local involvement in the development process, all projects undertaken by Cooperacion Popular are self-help efforts, planned and initiated by the local village or township, utilizing local labor and, as often as possible, local materials. Also serving these same purposes is the community development program in the Dominican Republic, which effectively uses the self-help training device of involving local self-governing units in manageable self-help infrastructure projects, such as the construction of roads and schools.

An essential element in achieving effective development is leadership, both at the local and national levels. AID has therefore given considerable attention over the years to the development of leadership skills among wide sections of the IDC populations in order to enhance the ability of host country nationals to identify their own problems and to seek indigenous ways to solve them. Since the beginning of the Point IV program in 1949, our participant training programs have brought more than 97,000 participants to the United States for advanced education or training, and another 19,000 have been trained in third countries.

Training programs conducted in host countries are another important aspect of AID's efforts to develop leadership and manpower skills at the grass roots level. Typically, local development projects have a strong training component, such as those in Pakistan, Nepal, and Thailand. Food for Work projects, associated with Food for Peace, invariably involve local leadership in the organization and management of a spectrum of infrastructure projects. The AID-supported American Institute for Free Labor Development is largely devoted to training

activities. It has established centers in twenty countries, which, in the last five years, have trained about 60,000 trade union leaders in the functions and operations of trade unions. In addition, almost 500 trade union leaders from Latin America have attended an advanced AIFLD school in Front Royal, Virginia.

Other AID training programs are directed primarily toward local government officials. In Kenya and Uganda, local government officials are being trained at AID-assisted Institutes of Administration, and district education centers in these countries provide leadership and skill training for district councillors and clerks as well as chairmen and secretaries of local private and voluntary associations. The Institute of Administration in Zaria, Nigeria, has assisted in the training of almost 25,000 local government officials, and, in South Vietnam, a number of programs are designed to train local government officials and to sensitize them to their increasing responsibilities in village development projects.

These and other activities provide the Agency with an important input for the broadening and acceleration of Title IX programs. Based on earlier Congressional mandates, the stimulus of Title IX, and the Agency's past experience, new projects are already being planned. In the training area, for example, the expansion and further development of the Loyola University Training Program is projected. Efforts are underway to launch a training program in juridicial administration for a select group of foreign lawyers, administrators and jurists. And a contract has been signed with the Brookings Institution to conduct a pilot one-week seminar for senior AID Mission officers from the Latin American region which will focus, inter alia, on problems and opportunities in the Title IX areas of development.

Although AID has in the past developed and implemented activities consistent with Title IX directives and objectives, as the record shows, the Agency is not satisfied that these efforts are sufficient, nor fully responsive, to Title IX. However, the Agency is now determined, pursuant to Title IX, to bring this new dimension fully into its assistance efforts around the world.

LEGISLATIVE PURPOSES, CONSTRAINTS, AND CRITERIA

Title IX is part of the Foreign Assistance Act of 1961, as amended. That law and the complementary appropriations acts state a number of purposes for, constraints on, and criteria for US foreign assistance activities which are relevant to our consideration of Title IX. What follows is a catalog of legislative purposes, constraints, and criteria stated outside that title. (Unless otherwise noted, references are to Foreign Assistance Act sections).

PURPOSES:

To promote the peace of the world and the foreign policy, security, and general welfare of the US by fostering an improved climate of political independence and individual liberty, improving the ability of friendly countries and international organizations to defeat Communist or Communist-supported aggression, facilitating arrangements for individual and collective security, assisting friendly countries to maintain internal security and stability essential to their more rapid social, economic, and political progress. § 501

To help people of less developed countries in their efforts to acquire the knowledge and resources essential for development and to build the economic, political, and social institutions which will meet their aspirations for a better life, with freedom, and in peace, recognizing that the freedom, security, and prosperity of the United States are best sustained in a community of free, secure, and prospering nations; that ignorance, want, and despair breed the extremism and violence which lead to aggression and subversion; and that it is not only expressive of our sense of freedom, justice, and compassion but also important to our national security that the United States provide such assistance through private as well as public efforts. § 102

To Support the efforts of less developed countries to meet the fundamental needs of their peoples for sufficient food, good health, home ownership and decent housing, and the opportunity to gain the basic knowledge and skills required to make their own way forward to a brighter future. § 102

To stimulate the involvement of the people in the development process through the encouragement of democratic participation in private and local governmental activities and institution building. § 102

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In friendly countries where the economy is essentially rural or based on small villages, to provide assistance designed to improve agricultural methods and techniques, to stimulate and encourage the development of local programs of self-help and mutual cooperation, particularly through loans of foreign currencies for associations of operators of small farms, formed for the purpose of joint action designed to increase or diversify agricultural productivity. § 215

To conclude agreements with less developed countries providing for the establishment of joint commissions on rural development to formulate and carry out programs for development of rural areas, which may include research, training, and other activities. § 471

To promote the economic development of countries and areas in Latin America, recognizing that the historic, economic, political and geographic relationships among the American peoples and Republics are unique and of special significance and that the Alliance Progress offers great hope for the advancement of the welfare of the peoples of the Americas and the strengthening of the relationships among them, and recognizing also that vigorous measures by the countries and areas of Latin America to mobilize their own resources for economic progress among the people are essential to the success of the Alliance for Progress and to continued significant United States assistance thereunder. § 251

To develop human as well as economic resources in Latin America. § 251

To foster, on request, measures of agrarian reform in Latin America, including colonization and redistribution of land, with a view to insuring a wiser and more equitable distribution of the ownership of land. § 252

To promote the organization, implementation, and growth of the cooperative movement in Latin America as a fundamental measure toward the strengthening of democratic institutions and practices and economic and social development under the Alliance for Progress. § 252

Recognizing that the acceleration of social and economic progress in southeast Asia is important for the achievement of United States foreign policy objectives of peace and stability in that area, to promote an expanded effort by the countries of southeast Asian and other interested countries in cooperative programs for social and economic development, employing both multilateral and bilateral channels of assistance. § 271

To support freedom of the press, information, and religion. §102

To support the right of all private persons to travel and pursue lawful activities without discrimination as to race or religion. §102

To support self-help efforts that are essential to successful development programs. §102

Recognizing the vital role of free enterprise in achieving rising levels of production and standards of living essential to economic progress and development, to encourage the efforts of countries to increase the flow of international trade, foster private initiative and competition, encourage the development and use of cooperatives, credit unions, and savings and loan institutions, discourage monopolistic practices, improve the technical efficiency of industry, agriculture, and commerce, strengthen free labor unions; and to encourage the contribution of U.S. enterprise toward economic strength of less developed friendly countries through private trade and investment abroad, private participation in programs carried out under the Foreign Assistance Act, and exchange of ideas and technical information. §601

To further the efficient use of United States voluntary contributions for relief and rehabilitation of friendly peoples by paying transportation charges on shipments by the American Red Cross and voluntary nonprofit relief agencies. §216

To assist schools and libraries outside the United States founded or sponsored by U.S. citizens and serving as study and demonstration centers for ideas and practices of the United States. §214

To assist hospital centers for medical education and research outside the United States, founded or sponsored by U.S. citizens. §214

To strengthen the capacity of research and educational institutions in the United States to develop and carry out programs concerned with the economic and social development of less developed countries. §211

To stimulate private home ownership and assist in the development of stable economies in Latin America through the issuance of investment guaranties to assist in the development in the American Republics of self-liquidating pilot housing projects, the development of institutions engaged in Alliance for Progress programs, including cooperatives, free labor unions, savings and loan type institutions, and other private enterprise programs in Latin America engaged directly or indirectly in the financing of home mortgages, the construction of homes for lower income persons and families, the increase mobilization of savings and the improvement of housing conditions in Latin America. §224

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To provide assistance for programs relating to population growth in friendly countries and areas, recognizing that while every country should be free to determine its own policies and procedures with respect to problems of population growth and family planning within its own boundaries, nevertheless, voluntary family planning programs to provide individual couples with the knowledge and medical facilities to plan their family size in accordance with their own moral convictions and the latest medical information can make a substantial contribution to improve health, family stability, greater individual opportunity, economic development, a sufficiency of food, and a higher standard of living. §291

To demonstrate the potential and encourage the use of fish or other protein concentrates as a practical means of reducing nutritional deficiencies in less developed countries and areas. §221

To promote the peaceful uses of atomic energy outside the United States. §211

To develop plans for basing development programs on the use of the large and stable supply of relatively low cost fuels available in the free world. §647

To promote the economic development of less developed friendly countries and areas, with emphasis upon assisting long-range plans and programs designed to develop economic resources and increase productive capacities through Development Loans. §201

To promote the economic development of less developed friendly countries and areas, with emphasis upon assisting the development of human resources through such means as technical cooperation and development. §211

To make voluntary contributions on a grant basis to international organizations and to programs administered by such organizations. §301

To furnish assistance to friendly countries, organizations, and other bodies to support or promote economic or political stability. §401

To make extraordinary expenditures important to the security of the United States. §614

To furnish defense articles and services for internal security, for legitimate self-defense, to permit participation in regional or collective arrangements or measures consistent with the UN Charter or in UN requested measures to maintain or restore international peace and security, or for the purpose of assisting foreign military forces in less developed friendly countries (or the voluntary efforts of US Armed Forces personnel in such countries) to construct public works and to engage in other activities helpful to the economic and social development of such friendly countries. §502

To strengthen the security of the United States and promote world peace by furnishing military assistance to any friendly country or international organization. §503

To assist American small business to participate equitably in the furnishing of foreign assistance. §602

To facilitate and increase the participation of private enterprise in development of the economic resources and productive capacities of less developed countries through the issuance of investment guaranties to eligible United States investors. §221

To encourage and promote the undertaking by private enterprise of surveys or investment opportunities, other than surveys of extraction opportunities, in less developed countries and areas through participation in the financing of such surveys. §231

To carry out programs of research into, and evaluation of, the process of economic development in less developed friendly countries and areas, into the factors affecting the relative success and costs of development activities, and into the means, techniques, and other aspects of development assistance to render such assistance of increasing value and benefit. §241

To support increased economic cooperation and trade among nations. §102

To support freedom of navigation in international waterways. §102

To encourage regional cooperation by less developed countries in the solution of common problems and the development of shared resources. §102

To further and assist in the advancement of African regional development institutions. §102

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CONSTRAINTS:

No assistance to any Communist country; any nation whose government is based on that theory of government known as communism; or to the government of any country unless the President determines that the country is not dominated or controlled by the international Communist movement. §620; Appr. §109

No assistance for Cuba or North Vietnam or countries assisting them or permitting trade with them. §620; Appr. §107

No assistance for any nation unless it applies an embargo on arms and items of primary strategic significance to any nation or combination of nations threatening the security of the United States, including the Union of Soviet Socialist Republics and all countries under its domination. Battle Act

No assistance for the United Arab Republic. §620; Appr. §117

No assistance to any country which is engaging in or preparing for aggressive military efforts, or which is officially represented at any international conference when that representation includes the planning of activities involving insurrection or subversion, which military efforts, insurrection, or subversion, are directed against the US, any country receiving assistance from the US, or any country to which PL 480 sales are made. §620

No assistance in or to any country which has severed or severs diplomatic relations with the United States or with which the US severs or has severed relations. §102, 620

Economic assistance to be withheld in an amount equivalent to the amount spent by an underdeveloped country for the purchase of sophisticated weapons systems, except for Greece, Turkey, Iran, Israel, China, the Philippines, and Korea. Appr. §119

No military assistance for the purchase or acquisition of sophisticated weapons systems, except for Greece, Turkey, Iran, Israel, China, the Philippines, and Korea.

No assistance for the government of any country if it, a government agency, or a government subdivision in the country repudiates a contract with, nationalizes, expropriates, or seizes the property of, or imposes or enforces discriminatory taxes, exactions, or conditions against a US citizen or an entity at least 50% beneficially owned by US citizens unless it takes appropriate steps to discharge its obligations under international law, including speedy compensation in convertible foreign currency equivalent to full value, or fails to take steps designed to provide relief from such taxes, exactions, or conditions. §620

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No assistance to the government of any country which is indebted to any US citizen or person for goods or services furnished or ordered where such citizen or person has exhausted available legal remedies, or the debt is not denied or contested, or such indebtedness arises under an unconditional guaranty of payment. §620

No use of funds made available under the Foreign Assistance Act for procurement outside the US unless the President determines it will not result in adverse effects on the US economy or the industrial mobilization base, with special reference to areas of labor surplus or to the net position of the US in its balance of payments with the rest of the world. §604

Restriction on employment of persons other than US citizens or nationals of the recipient country for construction of facilities and installations. Appr. §115

At least 50% of gross tonnage shipped must go on privately owned US flag vessels. Merchant Marine Act of 1936

No drug or pharmaceutical product may be acquired with funds made available under the Foreign Assistance Act if manufactured outside the US and if the manufacture of such product in the US would involve the use of, or be covered by, an unexpired US patent unless the manufacture outside the US is expressly authorized by the owner of the patent. §606

No development loan assistance for construction or operation of any productive enterprise in any country where such enterprise will compete with US enterprise unless the country has agreed that it will establish appropriate procedures to prevent the exportation for use or consumption in the US of more than 20% of the annual production of the facility during the life of the loan. §620

No assistance to any country which is in default for more than six months in payment to the US of principal or interest on any loan made to the country under the Foreign Assistance Act. §620

No recipient of a loan under the Foreign Assistance Act to be relieved of liability for the repayment of principal or interest. §620

No foreign assistance appropriations or counterpart generated as the result of foreign assistance to be used to pay pensions, annuities, retirement pay, or adjusted service compensation for persons serving in the armed forces of a recipient country. Appr. §104

No foreign assistance appropriations to be used to pay assessments, arrearages, or dues of an UN member. Appr. §114

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No assistance to be used to compensate owners of expropriated or nationalized property. §620

No development loan assistance to more than 12 countries; development grant assistance to more than 40 countries; or supporting assistance to more than 12 countries. §201, 211, 401

No grant assistance to any economically developed nation capable of sustaining its own defense burden and economic growth except to fulfill firm commitments prior to 1 July 1963 or additional orientation or training under the military assistance program. §620

No military assistance for Latin America unless necessary to meet prior commitments, or for civic action assistance, or unless necessary to safeguard the security of the US or to safeguard the security of a country associated in the Alliance for Progress against overthrow of a duly constituted government. §507

No military assistance or sales to any country in Africa except for internal security or civic action requirements. §508

No grant defense articles to a country unless it agrees it will not, without US consent, permit their use by anyone not an officer, employee, or agent of the country; transfer them or permit their transfer by gift, sale, or otherwise; or use them or permit their use for purposes other than those for which furnished; and unless it agrees to maintain the security of the articles, permit continuous observation and review by the US, and return the articles to the US when no longer needed for the purpose for which furnished unless the President agrees to other disposition. §505

No grant defense articles to a country in excess of 3 million dollars in one year unless the President determines that the country conforms to the purposes and principles of the UN Charter, the articles will be used to maintain the country's defensive strength and that of the free world, the country is taking all reasonable measures consistent with its political and economic stability to develop its defense capacities, and the increased ability of the country to defend itself is important to the security of the US. §505

**CRITERIA:**

In providing development assistance, AID must take into account factors related to the activity to be financed and its relation to other development activities and also the extent to which the recipient country is showing a responsiveness to the vital economic, political, and social concerns of its people, and demonstrating a clear determination to take effective self-help measures, the degree to which the recipient country is making progress toward respect for the rule of law, freedom of expression and of the press, and recognition of the importance of individual freedom, initiative, and private enterprise. §201, 211, 251

In providing development assistance, AID must place appropriate emphasis on: (a) assuring maximum participation in the task of economic development by the people of the less developed countries through the encouragement of strong economic, political, and social institutions needed for a progressive democratic society; (b) programs aimed at enabling a country to meet the food needs of its people from its own resources; (c) assisting recipient countries in their efforts to meet increasing needs for trained manpower; (d) developing programs to combat malnutrition, control and eradicate disease, clear slums, provide adequate and safe drinking water, adequate sewage disposal, health education, maternal and child care, voluntary family planning services, and other public health assistance; and (e) assistance for industrial development, growth of labor unions, cooperatives and voluntary agencies, improvement of transportation and communication systems; development of capabilities for sound economic planning and public administration; urban development; and modernization of existing laws to facilitate economic development. §207

Before providing development assistance to a country, (a) AID must take into account the extent to which the country is taking such measures as may be appropriate to increase food production and improve the means for storage and distribution of food; (b) is creating a favorable climate for private enterprise and investment; (c) is increasing the role of the people in the development process; (d) is devoting its governmental expenditures to key developmental areas, including health, education, and agriculture, and is not diverting them for unnecessary military purposes or intervention in the affairs of other free and independent nations; (e) is willing to contribute to the projects and programs for which assistance is provided; (f) is making economic, social, and political reforms that will enable it to achieve developmental objectives more efficiently and justly; and (g) is otherwise responsive to the vital economic, political, and social concerns of its people, and is demonstrating a clear determination to take self-help measures. §208

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In countries and areas in the earlier stages of economic development, programs of development of education and human resources are to be emphasized and lower priority is to be given to furnishing capital facilities for purposes other than the development of education and human resources until the requisite knowledge and skills have been developed. §211

Where food production is not increasing enough or diets are seriously deficient, a high priority is to be given efforts to increase agricultural production, particularly the establishment or expansion of adaptive research programs designed to increase acre-yields of the major food crops. §211

When AID determines that the economy of any country is in major part an agrarian economy, emphasis shall be placed on programs that reach the people who are engaged in agrarian pursuits or who live in the villages or rural areas, with emphasis on community development programs that will promote stable and responsible governmental institutions at the local level. §461

A development loan for a project must promote the economic development of the requesting country, taking into account the current human and material resource requirements of the country and the relationship between the ultimate objectives of the project and the overall economic development of the country and that there is specific provision for appropriate participation by private enterprise. §201

In furnishing assistance in connection with the Alliance for Progress, AID must take into account the principles of the Act of Bogota and the Charter of Punta del Este and the extent to which the activity will contribute to the economic or political integration of Latin America, and the country's efforts to repatriate capital; and loans may be made only for social and economic development projects and programs which are consistent with the findings and recommendations of the Inter-American Committee for the Alliance for Progress. §251

In providing assistance for southeast Asia multilateral and regional programs, AID must take into account: (1) initiatives in the field of social and economic development by Asian peoples and institutions; (2) regional economic cooperation and integration; (3) the extent of participation by potential donor countries; (4) the degree of peaceful cooperation among the countries of the area toward solution of common problems; and (5) the ability of multilateral institutions or other administering authorities to carry out projects and programs effectively, efficiently, and economically. §271

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To the maximum extent practicable consistent with the purposes of the Foreign Assistance Act, assistance should be furnished so as to encourage less developed countries to cooperate with each other in regional development programs. §209

Economic assistance to newly independent countries shall, to the maximum extent appropriate, be furnished through multilateral organizations or in accord with multilateral plans, on a fair and equitable basis with due regard to self-help. §619

Assistance shall wherever practicable be constituted of US commodities and services furnished in a manner consistent with other efforts of the US to improve its balance of payments position. §102

In providing development assistance, AID must take into account the possible effects upon the United States economy, with special reference to areas of substantial labor surplus. §201, 211, 251

In providing development assistance, AID must take into account the percentage of the recipient country's budget devoted to military purposes and the degree to which it is using its foreign exchange resources to acquire military equipment and shall terminate assistance if the recipient country is diverting its own resources to unnecessary military expenditures to a degree which materially interferes with its development. §620

In providing assistance under the Foreign Assistance Act, AID must take into account the status of the recipient country with respect to delinquent dues, assessments, and other obligations to the UN, and in case of a delinquency, AID must report to Congress the assurance of the country concerned to clear the matter up or a full explanation of the unusual or exceptional circumstances that render it economically incapable of giving such assurance. §620

US foreign aid may not be used in a manner which, contrary to the best interests of the US, promotes or assists the foreign aid projects or activities of the Communist-bloc countries. §620

In determining whether or not to provide assistance under the Foreign Assistance Act, consideration should be given to excluding any country that seizes or penalizes a US fishing vessel on account of its fishing activity in international waters. §620

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AID must consider terminating assistance to any country that permits, or fails to take adequate measures to prevent, damage or destruction by mob action of US property within the country, and fails to provide adequate compensation. §620

There must be coordination among representatives of the United States Government in each country, under the leadership of the Chief of the US Diplomatic Mission; and, under the President's direction, the Secretary of State is responsible for continuous supervision and general direction of economic assistance and military assistance and sales programs to the end that such programs are effectively integrated both at home and abroad and the foreign policy of the US is best served thereby. §622

5 July 1968

FUNCTIONAL WORKING GROUPS

Foreign Policy Context

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Title IX: Concept and Measurement

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Jonathan Silverstone  
Lester Gordon

Host Country Situations and U.S. Risks, Strategies and Difficulties

Howard Wriggins: chairman  
Robert Meagher  
Lucian Pye  
Robert Black  
John Kean  
Donald Brown  
Everett Hagen  
David Bayley  
John Schott

AID Instruments and Programs in Relation to Title IX

John Montgomery and Princeton Lyman: co-chairmen  
Richard Bernhart  
Charles Stockman  
Joe Nye  
John Bennett  
Calvin Cowles  
Tom Thorsen  
Eric James  
Douglas Ashford  
*guy Pauker*

*Claudia Mayne*

Non-AID Activities, Public and Private, and Their Relation to AID Activities

John Plank: chairman  
Grant Hilliker  
Vincent Puritano  
Gil Carter  
Marcus Franda  
George Marotta  
John Hoskins

Organization, Research and Training

John Cool: chairman

5 July 1968

COUNTRY WORKING GROUPS

INDIA

David Bayley: chairman  
Marcus Franda  
John Cool  
Robert Meagher  
Howard Wriggins  
John Bennett  
Mike Weiner

rapporteur: Keith Smith

BRAZIL

Robert Black: chairman  
Donor Lion  
Grant Hilliker  
John Plank  
Richard Bernhart  
Evertt Hagen  
Paul Seabury

rapporteur: Gary Maybarduk

INDONESIA

Lucian Pye: chairman  
Skipper Purnell  
Calvin Cowles  
Guy Pauker  
John Hoskins  
Lester Gordon  
John Montgomery

rapporteur: Karl Jackson

LIBERIA OR NIGERIA OR ETHIOPIA

Eric James: chairman  
George Dalton  
Tom Farer  
Joe Nye  
Vincent Puritano  
Donald Brown  
David Hapgood

rapporteur: Claudia Moyne

TURKEY

Jonathan Silverstone: chairman  
George Marotta  
Douglas Ashford  
Thomas Thorsen  
John Kean  
Ralph Braibanti  
Princeton Lyman

rapporteur: Peter Weitz

7/2

FUNCTIONAL WORKING GROUPS

David Bayley: chairman  
John Bennett  
Calvin Cowles ✓  
Marcus Franda  
George Marotta ✓  
John Montgomery  
Lucian Pye  
Paul Seabury  
    rapporteur: Peter Weitz  
(meet in fishing reel room)

John Kean: chairman ✓  
Richard Bernhart ✓  
Ralph Braibanti  
Everett Hagen  
Grant Hilliker  
Joe Nye  
Vincent Puritano ✓  
Myron Wiener  
    rapporteur: Gary Maybarduk  
(meet in small dining room)

Lewis Purnell: chairman  
John Cool ✓  
Tom Farer  
✓Eric James ✓  
✓Donor Lion ✓  
Robert Meagher  
✓Thomas Thorsen ✓  
Joan Nelson  
    rapporteur: Keith Smith  
(meet in third floor sitting room)

Princeton Lyma: chairman  
Donald Brown ✓  
George Dalton ✓  
David Haggood  
John Hoskins ✓  
John Plank  
Jonathan Silverstone ✓  
Howard Wriggins  
    rapporteur: Karl Jackson  
(meet on patio or conference room)

5 July 1968

I. Foreign Policy Context

Lyman: IIB.2, IB  
Bayley: I  
Purnell: I

II. Title IX: Concept and Measurement

Lyman: IA, IB, ID, IG  
Bayley: II  
Kean: 1  
Purnell: IIA, IIB

III. Host Country Situations and U.S. Risks, Strategies and Difficulties

Lyman: IC, IE, IIA, IIB1, IIB.4 (strategies), IIB.5, IIC, IID  
Bayley: IV  
Purnell: IIB IIC, III, V.  
Kean: 2, 4, 6

IV. AID instruments and programs in relation to Title IX

Lyman: IIB.4 (tactics), III  
Bayley: III, V  
Kean: 3  
Purnell: IV

V. Non-AID activities, public and private, and their relation to AID activities

Lyman: IIF, IV  
Bayley: III  
Kean: 3, 5  
~~Lyman:~~

VI. Organization, research, and training

Lyman: IIE.1, IIE.2, V, VI  
Bayley: VI  
~~Lyman:~~  
Purnell: VI

MIT Summer Study on Title IX

Countries selected for one-hour briefings:

Ethiopia	(Nelson)
Nigeria	(Bernstein/North)
Korea	(Lyman/Soter)
<u>Philippines</u>	(Cowles/Bernhart)
<u>Nepal</u>	(Cool)
Vietnam	(Bennett/Paritano)
<u>Brazil</u>	(Lion)
Tunisia	(Ward)

Countries selected for one-week working group in-depth studies:

Vietnam  
Indonesia  
Brazil  
India  
Turkey

JUNE 24 - Morning Session

Topic: Opening Remarks and Introduction to Title IX  
Presentation by: Max Millikan and Rutherford Poats  
Rapporteurs: Claudia Moyne and Peter Weitz

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Millikan: Dr. Millikan discussed the origins and general aims of the conference. He presented for the consideration of the conference a number of general issues, questions and problems. These included: the question of whether the Title IX legislation itself is coherent and meaningful; the problem of differing points of view currently as to the desirable and possible role of A.I.D. in foreign assistance and of foreign assistance in general; the possible range of views in this spectrum range from those persons who believe that A.I.D.'s primary objective should be purely economic development, to those who believe that primary attention should be paid to economic growth with due consideration to political variables, to those in the "Brad Morse position" who believe that primary focus of foreign aid should be political development with the use of economic aid for the use of political leverage.

Various bases for differences in viewpoints about A.I.D.'s role in political development stemmed from:

1. Different basic philosophies of the objective of foreign aid for A.I.D.
2. The level of knowledge about the processes of economic and political development.
3. Different estimates of our capability to accomplish aims established at different levels of knowledge.
4. The possible and likely problems of backlash in the developing countries themselves.

Poats: Mr. Poats addressed himself to A.I.D.'s expectations and hopes for the conference. He noted that the doctrine of Title IX has been at least partially elaborated, but that to this point the policy implications of this have not been very fully elaborated. He stressed the desirability that this conference provide operational feedback for A.I.D.:

1. Improvement and greater elaboration of Title IX legislation.

2. The development of specific policies and areas in which Title IX can be applied in the developing countries. Specific examination of the question of how the U.S. can "intervene" in the sensitive social and political fabric of the less developed countries.
3. Possible contributions by the conference to policy recommendations which will be sent to the new Administration by A.I.D.

Dr. Millikan closed with a discussion of the agenda for the conference, stressed the tentative nature of this document and among other tenuous items is the status of July 4th.

The major outputs of the conference will be a report to distinguished visitors and guests on August 2nd, a general report to be compiled by David Harwood and specific recommendations to be forwarded to A.I.D., Washington.

Topic: Aid Policies and Processes in the Light of  
U.S. Foreign Policy Objectives  
Presentation: Howard Wriggins and Joel Bernstein  
Rapporteurs: Karl Jackson and Gary Maybarduk

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Lucian Pye made the following announcements:

1. The afternoon sessions will start at 2:30 pm and go to 5 pm, eliminating coffee breaks.
2. Those living at Endicott House should inform Lynn Knauff or one of the rapporteurs if they are not to be there for dinner.
3. A sub-committee has been established to set up functional working groups for the third week of the conference. The members are: Donor Lion, John Kean, Vincent Puritano, John Cool, and John Montgomery. They will make their report on Thursday; any suggestions should be made to them.

Mr. Wriggins: discussed the three levels of foreign policy: the declarative policy, as publicly stated by Secretary Rusk and other high officials, or internal statement of policy within Executive Branch, to give more specific guidance to the bureaucracy. The third level derives from the specific action decisions, often the result of the bureaucratic struggle. Wriggins felt there are often contradictions between declarative policy and operational policy as applied in specific circumstances. He pointed out that one of the assumptions of foreign aid policy was that economic development and increased participation in economic development leads to representative government. He further pointed out, however, that over-participation may hamper economic growth, while at the same time, too little participation may also hamper economic growth. In some areas economic growth may not lead to stability. It was further pointed out that more democratic governments may be less sympathetic to American foreign policy, than more elitist regimes. Another contradiction is that we say we do not interfere in the internal affairs of other countries and recognize that a reputation for non-interference is an asset for U.S. foreign policy. At the same time, foreign aid implies intervention and we do, in fact, intervene. Our foreign aid also differs when we consider its geographic distribution. In Asia, we have tended to boost all weak states in the periphery of China, while in Latin America we emphasize economic and social change. In Africa we started with a large A.I.D. program and concentrated on bellwether states; since then we have pared down our efforts in Africa. In the discussion which followed several issues were brought up:

1. How do we match our policies to encourage political and economic development with our foreign policy interests?

Topic: Aid Policies and Processes in the Light of  
U.S. Foreign Policy Objectives.  
Presentation: Howard Wriggins and Joel Bernstein  
Rapporteurs: Karl Jackson and Gary Maybarduk

2. If our involvement is given, what tools do we use to achieve the goals of political and economic development?
3. How much short-term instability is tolerable in order to promote long-term stability?
4. Do we have enough knowledge to predict the long-term effects of our policies?
5. How do we achieve a domestic constituency for the policies finally adopted?

At the conclusion of the discussion of Mr. Wriggins' presentation, Lucian Pye then introduced Joel Bernstein:

Mr. Bernstein: Discussed how A.I.D. policies and processes relate to foreign policy and Title IX objectives. He covered:

1. Foreign policy objectives in relation to economic assistance policy.
2. Title IX and foreign policy
3. Factors which determine abilities of U.S. to exert influence via aid.
4. Operational policies and processes applied by A.I.D. to generate influence.
5. Apparent contradictions in broad U.S. purposes.

He mentioned the general goal of U.S. foreign policy to influence the course of events in the world to increase our security from attack, opportunities for material progress, and ability to preserve our values. Economic assistance is a major tool for our foreign policy effort to exert influence, but its effectiveness rests on two propositions:

1. Do we need the support of less developed countries for successful pursuit of our foreign policies?
2. Will we be able to influence them through foreign aid? He suggested that experience gives an affirmative answer to these propositions.

In discussing Title IX and foreign policy, it was pointed out that it is a reflection of growing Congressional interest in using aid to influence the policies of other countries and of concern with methods of doing it. He pointed out that Congress has assumed that economic growth leads to political stability but that aside from this assumption Congress has given no clear intention in Title IX. They have, however, expressed doubts at the quality of the governments of less developed countries, and have stressed the desire to increase institutional development. Mr. Bernstein felt personally that Title IX should be used to put stress on greater participation though not necessarily greater political participation. He also felt that this required working with the

June 24 - Afternoon Session

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6/26/68

Topic: Aid Policies and Processes in the Light of  
U.S. Foreign Policy Objectives.  
Presentation: Howard Wriggins and Joel Bernstein  
Rapporteurs: Karl Jackson and Gary Maybarduk

governments. Mr. Bernstein also discussed the factors which are crucial to a successful aid program.

1. Adequate resource inputs.
2. Skill in the science and art of bringing about desired changes.
3. A country situation which was reasonably conducive to development.
4. Abilities to organize and operate a high risk business (and good luck!)

In his discussion of operational policies and leverage he emphasized that the what and how of our policy goals must be combined. He explained that AID's policies for exerting influence include:

1. Seeking adequate self-help
2. Maximum co-ordination of economic and technical assistance, and of all developmental inputs.
3. Increasing stress on institutional factors
4. Seeking broader participation
5. The processes used to implement these operational policies are:
  - a. Country programming
  - b. Putting self-help conditions on aid
  - c. Use of country missions

Mr. Bernstein felt that the apparent contradictions in some basic U.S. policy interests can be resolved or reduced by placing more emphasis on the dynamic processes of change, and less on static analysis of apparently opposite purposes. For example, stabilization and growth are not necessarily conflicting objectives, even in the short run, and can be pursued so as to be mutually supporting. Authoritarianism and democracy maybe incompatible in certain instances, but it must be realized that the growth of the institutional bases for wider popular participation requires an environment of order and may require the constructive use and strong central authority.

Finally, it was discussed if Title IX had really been assigned to the proper agency. In a recent speech, Samuel Huntington pointed out that the U.S. will have to continue to influence the policy of the less developed countries, but he felt that we cannot continue to rely heavily on aid for this purpose. Therefore, we'll have to rely more on exercise of political influence by our foreign representatives. Whether Mr. Huntington is correct and the implications of his remarks were left open for discussion.

Topic: The "State of the Art": Concepts and Problems in the Study of Political Development.  
Presentation: Ralph Braibanti  
Discussant: Myron Weiner  
Rapporteurs: Karl Jackson and Peter Weitz

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Max Millikan raised the possibility that an additional sub-committee would be created to concern itself with the relationship between the U.S.A.I.D. program and U.S. foreign policy in general. An attempt will be made to make the Monday presentation more analytically rigorous and systematic.

Rather than do Ralph Braibanti the injustice of summarizing his statement, we will refer you to a copy of the paper which has been xeroxed and placed in the library. Additional copies of this paper will probably become available.

Comments on Ralph Braibanti's Presentation by Myron Weiner:

Myron Weiner's comments focused on the relationship between the concepts of political development and participation. He pointed out that the Title IX legislation does not make any explicit mention of the concepts of political development in general; it merely mentions that participation should be increased. As Ralph Braibanti's presentation suggested, and as Myron Weiner emphasized, participation is only one aspect of the more general concept of political development. Nor is the term participation at all precise. It is used with numerous different definitions. He listed seven of them:

1. To imply participation in decision making and control over one's environment.
2. Participation as a means of galvanizing people into effective collective activity.
3. Participation of a greater number of individuals in economic activity.
4. Participation of a greater number of individuals in local government.
5. Participation as the ability of the population to influence policy decisions in the central government.
6. Participation as the organization of people into formal groups or institutions, as opposed to forms of anomic activities, such as riots.
7. Participation as the organization of minor institutions into regular and "reasonable" articulators of public opinion.

June 25 - Morning Session

Topic: "State of the Art."

Presentation: Ralph Braibanti

Discussant: Myron Weiner

Rapporteurs: Karl Jackson and Peter Weitz

A/3

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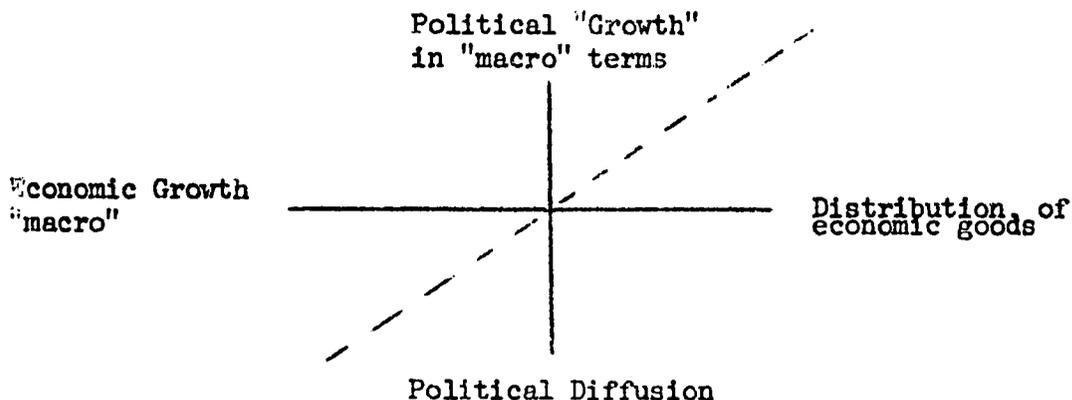
He suggested that not only are there numerous definitions of participation, but there are different reasons to advocate participation:

- a) because it is inherently good
  - b) because it is a means of maximizing economic growth
  - c) because it provides a means for solving political problems, and thus serves to enhance political development
- .....in this context, however, the aims of political development vary considerably, thus further differentiating different motives.

In so far as the policymaker is concerned with advocating different amounts of participation, the results of increasing different types of participation vary considerably. In suggesting any policy related to participation, the various results should be carefully considered.

Participation, he concluded, is one of the myriad problems in the vague process of political development. In many developing countries, this may not be the central problem. The policymaker must retain his ability to analyze and differentiate particular problems, so as to attack the most important. The focus on participation may only serve to divert this focus.

Jack Montgomery suggested a four-fold table to help conceptualize the areas of interest to the discussion of development during the conference:



To this point, AID has concentrated on the economic growth and political growth while Title IX encourages us to consider the portion of the diagram below the dotted line. It was suggested that there are many instances in which the goal states represented by the ends of the continua are partially incompatible.

June 25 - Morning Session

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Topic: "State of the Art"

Presentation: Ralph Braibanti

Discussant: Myron Weiner

Rapporteurs: Karl Jackson and Peter Weitz

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Joan Nelson's conceptualization of the participation process indicates that there are three different types of participation:

- i. popular participation in decision-making
- ii. popular participation in the implementation of the development process
- iii. popular participation in the fruits of economic and social progress

Various attempts were made by conference members to define the concept of political development. It was suggested that the definition must be applicable to totalitarian as well as democratic nations. A definition derived from equilibrium analysis was also suggested. Another participant suggested that the concept of political development as a whole could not be operationalized but that precise indices could be developed for each of the constituent elements of the general concept e.g., for participation, institutionalization, etc.

It was stated that one crucial element of the language problem enveloping the concept of political development was that A.I.D. often interpreted that language differently from the elite members in the LDC's. In relation to economic growth and political growth portion of Montgomery's diagram there was substantial agreement but when the talk turns to questions of power distribution and the distribution of wealth differing perceptions arise.

Cyril Black's theory of the sequence of modernization was discussed by various members. Generally Black's formulation was felt to concern itself with only one of many possible sequences of modernization.

It was suggested that some of the difficulties encountered by the conference would be eliminated if in discussions of political development the participants made clear which of the following aspects they were being concerned with:

- i. institutionalization and partisan politics in the recipient nation.
- ii. U.S. relations with the elite in the recipient nation
- iii. the relation of the recipient nation to the international system.

Topic: The incorporation of economic theory into  
the A.I.D. policy formulation process.  
Presentation: Max Millikan and John Plank  
Rapporteurs: Gary Maybarduk and Claudia Moyne

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Two announcements were made at the start of the session:

1. Please sign sheet on bulletin board if you are a resident of Endicott House and will not be here at the weekend.
2. If you wish to make corrections on the instant minutes please see the rapporteur for that session.

Dr. Millikan: Discussed two general topics:

1. The emergence of economic doctrine
2. Potential lessons which can be drawn for our political objectives from the way our U.S. economic objectives were pursued.

Since 1960 an increasingly coherent body of economic doctrine has emerged within A.I.D. One purpose of this new emphasis was the attempt to overcome the wide range of conflicting and multiple and economic and political objectives existing at the time. Two factors contributed to the prevalence of conflicting objectives:

- a) the particularistic objectives promoted by the various functional technical assistance groups,
- b) Congressional pressure on A.I.D. for the use of aid for a variety of purposes.

The reorientation therefore stressed country programming and country planning to achieve a sense of priority and order and it also attempted to achieve some insulation from congressional pressure. Mr. Millikan suggested that the economic growth objectives have been realized to a greater extent than is commonly believed. Two questions which now arise are:

1. Whether we can learn anything from the experience of those countries where economic development policy was fairly successful and,
2. What has been the effect of economic development on political development?

The assumption that successful economic development performance has favorable political effects is increasingly being questioned and this conference should discuss this range of issues.

Topic: Incorporation of economic theory  
into the A.I.D. policy formulation process  
Presentation: Max Millikan and John Plank  
Rapporteurs: Gary Maybarduk and Claudia Moyne

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Dr. Millikan pointed out that A.I.D. made major intellectual contributions to the economic development doctrine and this played a role in the implementation of this doctrine.

#### Characteristics of Economic Development Doctrine

1. The A.I.D. was supposed to operate by providing needed resources for development and by providing incentives for improving the performance of recipients, self-help became an explicit doctrine.

Dr. Millikan put forth the proposition that A.I.D.'s major success has been in resource contribution. The incentive effects never work satisfactorily. Changes in policy made by the recipients in most cases would probably have been made anyway. Thus, A.I.D. has not radically changed the policies of recipient governments.

2. The major goal has been to improve the performance of the recipient country's economies on the whole. This goal had the characteristic of being relatively definable and measurable. This goal was also shared by the recipients. There was also substantial agreement with recipients on the major bottlenecks in the economy. And these bottlenecks also generally were measurable. Those bottlenecks, for example, bottlenecks in institutional and social organization which were least definable were also those on which there were least agreement between A.I.D. and the recipient on what needed to be done. Thus the economic criteria have generally been clear, measurable, and mutually shared, none of which can be said of the political criteria.
3. Economic development is a doctrine of process, the emphasis was on changing the situation.

#### Circumstances under which Economic Development is Likely to Succeed.

1. In circumstances where the goals are genuinely, mutually, accepted. Professor Millikan put forth a proposition that the A.I.D. has not really anywhere generated a will to develop. We have helped those countries where the desire to develop already existed.

June 25 - Afternoon Session

A/4

Topic: Incorporation of economic theory  
into the A.I.D. policy formulation process

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Presentation: Max Millikan and John Plank

Rapporteurs: Gary Maybarduk and Claudia Moyne

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2. Where the lack of resources were basic limits of growth and where the U.S. contribution was sizeable.
3. Where the critical limitation was technological "know-how."

Under What Conditions can Political Development Be Effective?

1. In those situations where the U.S. and the host-government can come to relatively quick agreement on goals; this is less likely than it was in economic development. Professor Millikan is skeptical that political development can be achieved without host-government cooperation.
2. Goals should be fairly definable and concrete and where progress is reasonably measurable.
3. Where obstacles to progress can be identified clearly and progress in removing them can be measured.
4. Where our resources are believed by the recipient to be critical.

Mr. Millikan outlined some criteria for success in promoting self-help measures. Self-help measures are easiest to promote where the need for them is clear and where they do not create major political problems for the recipient governments. Self-help is more likely to be effective if the U.S. pressure is not too recognizable. Self-help measures were most effective in cases where our resources, inputs were adequate to ease their adoption. Pakistan is an example of this and India may now be a critical case.

Plank: Dr. Plank focused his discussion on the Alliance for Progress. Some key assumptions made when the Alliance was set up were:

1. The assumption that Latin America wanted development. Both the U.S. and Latin America underestimated the political, social and psychological causes of development and it has turned out that the Latin American elite is not as strong a supporter of development as originally believed.
2. It was assumed that, because there was communication at the formal level between U.S. and Latin American elites, there was also an underlying sharing of the same values. In reality our values are different and there has been no real communication.

Topic: Incorporation of economic theory  
into the A.I.D. policy formulation process  
Presentation: Max Millikan and John Plank  
Rapporteurs: Gary Maybarduk and Claudia Moyne.

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3. The U.S. seriously underestimated the importance of the gap between different groups in Latin America. The modern sector has great communication problems with the masses.
4. We assumed that we could make an impact on Latin America with a relatively small amount of resources.
5. We neglected the psychological elements of development. We tended to think of welfare in Latin America solely in material terms.

Dr. Plank stressed the need to be more aware of the role of the individual in the development process. There is need to put more attention to the psychological costs and benefits. He identified two areas where greater research is needed:

1. Formulation of new conceptions of property, and,
2. New forms of identification and association.

The discussion following the presentations centered around several points:

1. What is our capacity to remake the political world? Are we better at repressing change than promoting it?
2. How should we allocate our resources for political development? It was argued that we should concentrate them on specific areas because,
  - i. concentration of resources is more effective,
  - ii. the political development program is more coherent,
  - iii. specific and well-defined goals on our part increase our leverage with recipient governments.
3. It was discussed if the key to development was the strategy, given that one can find areas of concern between the donor and recipient or if we must first create the desire for development (both economic and political).
4. Is it possible to reward political development even in those areas where we are not sure of how to directly participate in it?
5. What are the indirect effects of U.S. involvement, i.e. the absorption of ideas and methods from close contacts of, say, Latin Americans with U.S. citizens?
6. Is participation intrinsically valuable or is it only a function of economic benefits? This discussion involved the possibility that intrinsic wants were relatively unimportant compared to economic desires.

Topic: Strategy of U.S. involvement  
and problems of leverage  
Presentation: Joan Nelson  
Discussant: Everett Hagen  
Rapporteurs: Karl Jackson & Peter Weitz

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Joan Nelson went over AID/ICA policies in the economic sphere to attempt a distillation of policies with potential applicability in the Title IX political sphere.

She re-emphasized the lack of precise definition for the word "participation" as used in the Title IX legislation.

She also pointed out that the legislation could imply at least three different contexts:

1. The purpose might be to improve or change political processes which hindered economic growth and the other economic goals of the aid program.
2. The purpose might be to make the AID administrators more aware of negative or unexpected byproducts of the aid program.
3. The purpose might be to recognize and maximize any "desirable" political byproducts of the legislation.

These contexts are already an informal part of existing aid programs. The need would be to improve the sophistication of analytic concepts for measurement in these contexts. (This, in a sense, is also what John Cool was emphasizing: the need to understand the political implications of existing, largely economic programs).

She summarized basic types of aid which are used as "leverage" in the LDCs. ["Leverage" was defined as specific actions and policies undertaken by the recipient as a contingent condition for having aid made available.]

In the economic sphere she noted that:

1. Technical Assistance is rarely useful for exerting leverage, as it isn't seen as sufficiently desirable by the host government.
2. Program Loans are largely designed to exert leverage, and are effective.
3. Capital Projects can be used to exert leverage at a sub-sector level.

However, within the Title IX area, (i.e. in the political context), neither program loans nor capital projects are directly applicable. Thus the most obvious forms of leverage are not available.

June 26 - Morning Session  
Topic: Strategy of U.S. involvement  
and problems of leverage

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Presentation Joan Nelson  
Discussant: Everett Hagen  
Rapporteurs: Karl Jackson & Peter Weitz

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There are also other limitations to Title IX activity:

1. One is the inherent problem of conflicting foreign policy goals. Here there is the competition of the economic, the short-run political, and the Title IX goals.
2. Another is the more general lack of any clear sense of what Title IX or "political development" implies. Analytically, it is possible to evaluate economic input demands for certain specific results. Thus specific and defined programs can be evolved and discussed with host country counterparts. Political science does not have these analytic capacities at the present time. Nor does AID or the Department of State have a cadre of men who can systematically analyze a broad spectrum of political prerequisites for "growth" or "development."
3. It may be quite difficult for the AID personnel and the officials in the host country to reach any consensus on political needs.
4. Even if an agreement on needs for political change is reached, the host country may not be capable of effective reform.

The following points were raised in the discussion:

1. Several participants doubted that Title IX could be implemented without major economic resource allocation. In refutation it was suggested that leverage might be merely the final step in an influence relationship that was not necessarily determined by the size of the economic resource input. Emphasis was placed upon the importance of the interaction of individuals over time in the influence relationship. In general it was felt that the connection between the amount of resource input and the amount of leverage would be less direct in the field of political development than in the field of economic development.
2. Given the importance of personality factors in the influence relationship questions were raised concerning whether political scientists, and especially those political scientists found in bureaucracies, were likely to provide the innovative direction required for the administration of Title IX.
3. Two constraints on the amount of leverage were added:
  - i. lack of money
  - ii. lack of experience in the art of negotiating in the aid field

June 26 - Morning Session

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Topic: Strategy of U.S. involvement  
and problems of leverage

Presentation: Joan Nelson

Discussant: Everett Hagen

Rapporteurs: Karl Jackson & Peter Weitz

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- 3.
  4. There are cases where the elite knows it needs a particular new institution but the capacity to aid in the construction of this institution is lacking.
  5. Perhaps the conference should be concerned with the political effects of economic aid. As a conference we should avoid becoming concerned only with "participation" or new programs derivable from Title IX.
  6. The ability of the U.S. to present itself as a political model for the LDC's was doubted. Why should the adviser assume that he knows more than the native about running the latter's political system? We can be confident of technological but not social or political, superiority.
  7. One must also consider the possibility of promoting institutions within a country which would then be capable of exerting "leverage" on the national government.
  8. There is no reason to assume that Title IX aid should go only to those countries where the U.S. has economic aid programs. Specific non-economic criteria for extending and evaluating Title IX aid should be developed.
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Topic: AID Implementation of these considerations  
Presentation: John Cool

John Cool: "Meanwhile Back at the Mission"

The presentation's major purpose was to look at the aid mission, its structure, and how it operates within the context of the various arms of U.S. foreign policy. With Title IX, AID is entering a field where competence has previously resided in the political affairs establishment of State. By interjecting AID activities directly into "political" matters in a country, the A.I.D. mission chief will have increased difficulty in fending off attempts to have aid diverted to the non-economic purposes of other U.S. agencies.

Within the AID Mission three different "roles" are distinguished by the types of activities required and the types of persons recruited: the directors, the program officers, and the advisor-technicians. The directors/program officers and the advisors represent two

June 26 - Morning Session

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Topic: AID Implementation of these considerations Page 4.

Presentation: John Cool

Rapporteurs: Karl Jackson & Peter Weitz

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separate subcultures within the mission with different perceptions of reality.

Therefore the initial problems of negotiation and inter-persons' communication are encountered within the Mission and the Agency. There are also interest groups within the U.S. Government that keep conflicting projects and priorities alive.

Inevitably within host governments our programs support certain individuals and ministries; alternatively certain ministries will be more sensitive to the forms of U.S. assistance. Technical assistance to public administration, public safety, and labor are more sensitive than assistance to community development, rural development, education, agriculture, and land reform. In turn, family planning, health, and engineering are the least sensitive forms of technical assistance.

An important task still before AID and Title IX is to understand the full political implications of existing AID programs. This understanding is of greater importance than the generation of new "political" aid programs.

This "self-understanding" on the part of AID officials should serve to define the context in which the officials operate. He characterized the AID official as a "Cross-Cultural Switchboard Operator," rather than as the embodiment of superior knowledge. Thus the official should serve to move information, not to give definite answers if definite answers are elusive or non-existent.

Lester Gordon suggested the following typologies of nations with potential for generating change from within the society:

1. Nations with no groups of potential change agents. (Are there any examples of this isolated a society?)
2. Nations with numerous competing change agents.
3. Nations where the change agents have consensus and power.

The policies of the U.S. would necessarily vary between these types.

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Continuation of morning session - discussant, Everett Hagen.

Professor Hagen set up a typology of the kinds of things we can influence and the kinds of things unamenable to our influence. Some instruments of influence are:

1. Resources
2. Information
3. Advice; this includes the acceptance of advice by host government in expectation of further favors
4. Deals
5. Influence by giving protection to host government personnel (AID acts as a scapegoat).

The most important area where influence is possible is with respect to the methods to be used to achieve mutually accepted goals. The area which is not amenable to our influence is the basic values and goals held by people. Behavior based on unconsciously held, basic cultural values, cannot easily be influenced.

The exception to this is if there is a conflict of values. Professor Hagen pointed out that often resistance to the adoption of new methods is not due to a lack of experience with the new methods, but is due to basic attitudes opposed to their adoption. Political development is more influenced by such basic unconscious attitudes than we have realized and this is an important limitation of our Title IX activities. However, this does not mean that attitudes cannot be changed but, it does mean that we cannot change them much by the types of influence we can bring to bear. Thus, the U.S. has often operated under two misassumptions in its attempt to influence the less developed countries:

1. The tendency to believe that low-income people have shallow attitudes which can easily be changed with information.
2. If low-income people are exposed to information and experience they will be converted.

This led the U.S. to do things in conflict with widely and strongly held values. Professor Hagen listed a number of illustrations of this; such as our opposition to the re-election of Arbenz as President of Guatemala; our economic sanctions on Cuba and our refusal to allow elections in Vietnam in accordance with the Geneva Agreements.

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In summary, Title IX will work when the objectives are in accord with the desires of the recipients.

#### AID Current Policies on Title IX

Donor Lion: Dr. Lion pointed out that Title IX activities are not really new but have forerunners in the Alliance for Progress, the Humphrey Amendment of 1961 on Cooperatives, the Zablocki Amendment of 1962 on Community Development, and the work of A.I.D. in the institutional development area. He pointed out that the omission of the term "Political Development" from the title IX legislation may have been deliberate -- to avoid any controversy and reaction which might result from advertising U.S. intentions to promote political change abroad. Mr. Lion discussed a number of documents on Title IX: the May 10, 1967 report to the Congress on the implementation of Title IX, the draft A.I.D. Manual Order on Title IX and William Gaud's recent statement before the house Foreign Affairs Committee. The following principles emerged from these documents:

1. There is no democratic development formula. American democratic style institutions may not be appropriate everywhere.
2. Title IX should be implemented on a country by country basis in a pragmatic flexible way.
3. We should work in cooperation with the government.
4. The belief that economic growth is not the ultimate goal of A.I.D. and that economic aid has political consequences.
5. A.I.D.'s belief that a healthy political climate in the LDCs is as necessary to U.S. goals as economic development. This hypothesis might need research.
6. With respect to the three dimensional aspect, A.I.D.'s participation is now committed to the concept of distribution.
7. Certain U.S. Title IX doctrine is based on certain U.S. values, such as, a government responsive to the needs of its people is good; economic growth and social justice depend upon citizen participation; LDCs should put more attention to their private sector. Also, the U.S. should give increased attention to utilizing private channels.

However, while A.I.D.'s policy statement reaffirmed its intention to undertake Title IX activities, this has not become a fully operational doctrine.

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Referring to Joan Nelson's spectrum of political development priorities, Dr. Lion pointed out that Gaud had emphasized that Title IX considerations are to be built into all A.I.D. programs but not made separate programs in this.

To improve Title IX implementation the following is necessary:

1. Frank recognition that the pursuit of Title IX objectives will require technical and financial aids for many years in most countries, even after some of the economic goals have been achieved.
2. Clarification and guidance on the importance of Title IX among other U.S. foreign policy objectives.
3. We might need a new definition of aid phase-out strategy.
4. Need better and different people to do the job.
5. Clearer recognition of the potential destabilizing effects of modernization. U.S. may have to be willing to promote risky change.

#### Views of a State Department Officer on Title IX.

Grant Hilliker: Mr. Hilliker felt it was useless to deny that cold war motivations existed and did not influence decision on foreign aid. But he felt that these were seldom the sole basis for such decisions and that their frequency and significance tend to be exaggerated. He felt that far more important were the affairs relating to the background of legislation and regulatory inhibitions imposed by Congress and the tendency to insist upon tangible evidence of accomplishments, which narrowed the objective range of choices and tempts the A.I.D. operators to settle for modest results in place of more significant but less tangible achievements. It was felt that foreign aid is used as an instrument of influencing development of selected countries, the central purpose being the development of viable societies in order to have worthy partners instead of liabilities. This implies stability, but in a dynamic sense of ability to change and responsiveness to the needs of the people rather than stagnation and subjection to orders from us or anybody else.

In discussing the practical problems of Title IX implementation Mr. Hilliker felt that we must consider the problems of definition. In regards to this conference he preferred a narrower interpretation of Title IX because on a Montgomery matrix participation should be taken to mean the lower half of the axis which is also the result of the literal reading of the Title.

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It is important to insist that political participation is an input as characterized by either, or both, 1) political decision-making, 2) voluntary association to serve felt needs, and not an output function as implementation or participation in the enjoyment of benefits which are essentially passive functions. He felt that the analysis of recipient countries political systems is not presently adequate either for selection of countries in which to apply Title IX, or formulation of strategies in each country. He felt the task belongs naturally to the State Department, but that it is not being done, at least in the depth required.

With regard to the roles of State and AID the opinion was expressed that they probably carried more weight within the U.S. or the U.S. government than with foreigners, and that those who might make trouble would not be influenced by the effects since they would probably choose the most convenient target regardless of the bureaucratic divisions of labor.

#### State Department Attitudes

In the field there is often opposition to A.I.D. stimulated efforts to undertake studies touching on political development. In contrast the A.I.D. missions have supported these studies. In Washington, attitudes seem to be somewhat different. A two hour presentation on Title IX was made last year to the Policy Planning Council, but nothing has happened since. INR has shown sporadic interest. The Foreign Areas Research Council has not been very interested. Finally, the desk officers are generally uninformed and uninterested. In summary, therefore, the State Department has been generally either a non-participant or an obstacle.

Definition of responsibility on Title IX activities between different U.S. public and private bodies: see the attached diagram for one proposed approach to this question. Some more basic issues involved here are:

1. How should our foreign aid be administered and organized?
2. The amount of funds available to A.I.D. If this is sharply reduced A.I.D.'s influence within the U.S. government will diminish.

Mr. Lion believes that unless the short-term political orientation and goals of State are changed, it can be argued that even the analytical role of State should be limited.

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The discussion centered around whether or not research and analysis done for Title IX should be unclassified. The difficulty involves the need for classification of sense of material while at the same time the necessity of building a common doctrine between both recipient and donor nations and the scholars and professionals involved in political development. Some argued that it might be possible to distinguish between pure research which might be declassified and analysis of particular situations, which might have to be kept secret. Others suggested that contract research done by individuals outside of the Agency might be left open. This idea was found to be objectionable by some who felt that any work done in close contact with the government might be sensitive. In another point in the discussion it was argued that a narrow construction of Title IX should be discussed at this conference. This is because we are in danger of making two assumptions. First, that others accept our values and ideals. This has resulted from the congressional intention behind Title IX and our own predisposition conditioned by the American style. Secondly, the conference seems to be in danger of assuming that all problems are solvable. A proposition that some conference participants felt to be untenable.

## NATIONAL INTEREST CRITERIA AND FOREIGN AID

Environmentalist concerns.

- 1) Safer environment - Hobbes.
- 2) More compatible environment - Jefferson.
- 3) More equitable milieu - Myrdal.
- 4) More tolerable or satisfactory developmental milieu for those in it - Dr. Spock.

### II

The relative weights of these concerns, of course, have varied in time and place. But probably the one element governing the magnitude of aid programs allocations has been Hobbesian.

### III

In what ways could this notion of "safer environment" be defined?

- 1) Overlapping criteria.
- 2) Peacekeeping criteria - stress on environmental stability and prevention, avoidance, or checking of international conflicts.
- 3) Classic cold war criteria - stress on competition with USSR and Communist bloc in a zero-sum game.
- 4) Modernization criteria.
- 5) Generalized balance of power criteria.

### IV

By and large, one consideration held as a constant through various phases of our aid programs pertains to the style and characteristics of the "American inner core." Here these have been assumed:

- 1) Persistent forward technological thrusts, accompanied by
- 2) Rising GNP and per capita income.
- 3) Incremental political and social change within U.S. based on quantitative distribution norms - "better things for more people for better living."
- 4) Persistent high reputation of U.S. among nations for certain highly-regarded continuities in our national attributes. Included among these have been: practicality, pragmatism, problem-solving, and institutional stability.

(At the height of the classic cold war, even Soviet developmental criteria used the U.S. as the "norm-target" against which its own economic progress could be quantitatively measured).

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V

Both environment and inner core seem now to be changing. What are these changes, and how might they affect and condition the progress and character of U.S. aid policy?

Environmental changes include:

- 1) The transformation of the classic cold war into more loosely-knit conflict aggregates.
- 2) More pertinent: a gradual de-escalation of U.S. versus Soviet economic competition on the stage of the third world. The saliency of the two systems as "examples" to third world countries and to Europe is now much lower than eight years ago. (Only a few years ago Mr. Rostow painted the Soviet Union as the scavenger of the development process. Now, from a remark made yesterday, it is possible to assert that we may become scavengers of the Russians' unique development process).
- 3) Even more pertinent: since last year domestic events have gained primary attention of the "effective publics" in the United States. Concurrently, has spread the view of U.S. "overextension" and "overcommitment" abroad. Concurrently also, many Americans have come to co-equate U.S. influence/leverage abroad with "inspiration" --i.e., control, and to dwell on the abuses of American power.
- 4) Most pertinent: Vietnam and U.S. domestic troubles have cast at least a temporary blight on America's problem-solving reputation and have been duly exploited by our enemies.

VI

This is a recital of familiar themes. The pertinent question is: How should, or may, American national interest criteria strategically adapt to these new circumstances?

In view of them, let me pose a set of special questions bearing on political strategies of aid.

- 1) In light of the decartelization of the Communist bloc, to what extent ought U.S. third world aid strategies to remain concerned with the "competitive" aspects of modernization? (i.e., with the performance claims of Socialist style modernization?)
- 2) Should "peacekeeping" and "cold war" security criteria provide the principal matrix within which AID programs continue? In a more general way, should considerations of environmental safety prevail over other criteria?

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Seabury presentation  
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- 3) If safety criteria were to be perceived by Americans as of decreasing importance, could other criteria achieve credibility to command resources from Congress resembling those now programmed?
- 4) By way of plucking roses from thorns, might it be possible to transfer both experience and enthusiasm from America's coping with ghetto crises to future AID programs? Or are the problems involved in urban America and third world qualitatively different?

Topic: "If it Moves, Fondle it"  
Presentation: Paul Seabury  
Rapporteurs Claudia Moyne and Peter Weitz

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Paul Seabury's presentation, "National Interest Criteria and Foreign Aid" has already been distributed. He argued that past criteria for aid seem to have lost validity; this point of view was reinforced during much of the ensuing discussion. As a conclusion, he suggested that a new stage of foreign assistance be developed, whereby foreign and domestic programs and experiences could be bridged. (Later in the discussion, Donor Lion answered this suggestion by introducing the concept of a U.S. Department of Development, at the cabinet level. This would program both domestic and international development activities...)

Discussion: The discussion focused on various reasons and rationales which might be used to promote foreign assistance. It was pointed out that the rationales varied with the "constituency" under consideration. These constitutencies were identified as:

- a) the American people
- b) American congressmen
- c) recipient country elites

A number of participants made the point, regarding the third group, that the prima facie criteria for foreign assistance should focus on assuring recipient country elites that we supported their aims, and on being careful to maintain respect among these people for our motives. It was suggested that supporting local elites might be too "short run" an objective, but this was countered with the suggestion that it is possible that the time perspective of local elites is often more long run than the time perspective of foreign experts. It was pointed out that as long as aid is tied with other aspects of U.S. foreign policy and the less developed countries are often predominantly concerned with a short-run issues, a short-run perspective was to some extent inevitable.

There seemed some agreement on two suggestions that an overarching general theory or rationale for foreign assistance was impossible to arrive at, given different constituencies and purposes for aid. We should develop a multiple aid rationale. Several people supported Paul Seabury's encouragement that a greater communality of problems be recognized. In some ways, there are many similar problems in both the United States and in the LDC's.

A number of general categories of reasons for aid were developed and discussed.

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Topic: "If it Moves, Fondle it"

Presentation: Paul Seabury

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A. U.S. Security: We are no longer living in a bi-polar world of the same tensions as ten years ago, but we are living in a very explosive world. (A Nuclear Jungle?...)

1. Several participants felt that the security rationale for aid has faded, at least when defined in cold-war terms, but that a new and compelling rationale for aid has not yet been worked out. A.I.D. needs to articulate why foreign aid is still important. However, some participants felt that some kind of security rationale was necessary to gain acceptance for the program.
2. Is there any indication that a more developed country is liable to be less aggressive or belligerent than a less-developed country? This has not been proven.
3. Does the Third World pose a long-run threat to U.S. security, or, more generally, is what happens in the Third World of interest to the U.S.? In pure inherent power terms this also seems unlikely, as George Ball has pointed out. However, we were reminded that most of the conflicts, in which the U.S. has been involved during the last 20 years have been in the Third World. It is clear that the U.S. has not been isolationist in this sense, but it is possible that the U.S. could revert to a greater isolationism.
4. It is important for the U.S. to increase cooperation among nations for its own security. By increasing a sense of mutual interests among nations, the chances of violent tensions are decreased. "Closed Societies," with the potential for both isolation from the rest of the world and fanatical political practices, increase the dangers to U.S. security. This is more true of "closed societies" in the developed world than of similar conditions in the less developed nations of the world. (Inherent in the statements about "closed societies" was that increased communication and openness between societies is necessary for peaceful co-existence.)
5. An article quoted from today's New York Times stated that U.S. security depended on the number of friends and allies that it has around the world, not the strength of its own armies alone.

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B. U.S. Prosperity: Foreign assistance serves to protect and promote the values and modes of life valued in the United States. Foreign assistance serves to develop and maintain a compatible world environment for the peaceful prosperity of U.S. interests.

C. It is the "right thing" to do: Foreign assistance should be made available by the wealthiest nation in the world in order to, in some small way, increase equity. We should strive for equality not only in our own country, but in all the world, with the individual human being as the only common denominator. This is, in an abstract sense, the espousal of a belief or faith. The policy is rational, but it is not easily measurable in any short term sense.

It was argued that, in view of the declining importance of the security rationale, the only real constituency for foreign aid in the U.S. today is based on the "equitable milieu" rationale.

A contrary view was expressed, namely that a moral rationale is repugnant and not credible to recipient countries.

D. Foreign Assistance may be useful as a means of promoting and securing U.S. markets and U.S. investments in the less-developed countries.

E. As an addendum to the Security argument, two contradictory suggestions were made:

1. U.S. interest and support for the less-developed countries of the world depended on crises, or "alarm and terror."
2. However, it seems clear that the citizens of the U.S. are growing tired of supporting the "Keystone Cops" of the world. The U.S. cannot be, nor do its citizens want it to be, the policeman of the world.

The implications of many of these reasons for providing foreign assistance are quite staggering. With all of these rather grand aims, it was recognized by a number of speakers, that the real effects of U.S. aid were probably very limited.

Many of these rationales were elaborated by Sam Dillon in his discussion of why various Representatives support foreign assistance. He made it very clear that all of these factors and many others, play a role in the support for aid. A letter which he read, summarizing many of the reasons for supporting aid was distributed.

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Topic: "If It Moves, Fondle It"  
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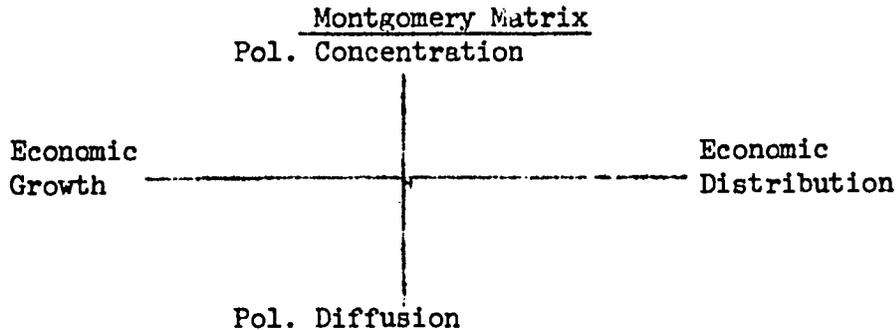
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(Sam Dillon's information on why foreign assistance is opposed seems to imply the following: Representatives think that their constituents would not re-elect them if they supported aid. Dillon's information suggests that aid has low saliency for many voters, and that there is less opposition to aid appropriations than to other types of appropriation. Therefore, AID might benefit by carrying out or supporting survey research in constituencies of Representatives who are opposed to aid, in order to prove to the representatives that it is "safe" for them to support aid appropriations.)

CONTRACTION. AND EXPANSION OF THE DEFINITION  
OF POLITICAL PARTICIPATION

Grant Hilliker  
27 June 1968



Political participation is the activity which epitomizes political diffusion. It is typically an INPUT function of the political process, although it also implies the enjoyment of certain benefits (OUTPUTS) of a diffused system, be they legal, political, such as civil liberties and rights, or material, such as higher wages or lower prices.

In relation to political development, participation in the process is a restricted concept which excludes those aspects in which the individual is an object, rather than a subject (actor), of the process. This excludes the upper half (i.e. concentration) on the political axis, which relates mainly to increases in the efficiency of the process. Examples are improvements in public administration, order and public safety, and other bureaucratic (OUTPUT) aspects of the process.

As part of distributive justice, the economic axis implies participation, but this is predominantly an OUTPUT function in which the participant is a recipient of economic benefits rather than necessarily being an active agent in their production. This end of the economic axis is, therefore, excluded from the core definition of political participation. It can, but need not invariably, involve the individual in a purely passive role.

These two activities are excluded from political participation simply to maintain the separation between (a) what is uniquely related to Title IX (political participation) and (b) what pre-dated Title IX and was both permitted and promoted under pre-Title IX legislation. The distinction is important to this conference and to retention of the dynamic qualities of development expressed in the concept of political participation. This does not suggest that distributive justice or political development in the broader senses are not important or should not be promoted, along with political participation. They simply do not derive from Title IX.

Contraction and Expansion of the Definition  
of Political Participation--2

Grant Hilliker  
27 June 1968

In contrast to this narrowing of the definition of participation, as process, the concept should be broadened as regards the content of activities it includes. It is interpreted to include not only all political decision-making, but also all voluntary association (regardless of content) which are sufficiently patterned to represent institutional behavior. These are essentially political activities, even though economic or social in nature, which go to fulfill the goal of participation.

Everett Hagen

June 27, 1968

ON THE LIMITED AND GREAT POSSIBILITIES OF TITLE IX

Just now, for the first time, I must confess, I read carefully part of House Report 1651, on Title IX. Some of the language filled me with some degree of concern that the sub-committee that drafted it is asking A.I.D. to square the circle or perform magic of some other sort. Yet, depending on how one interprets the language, it may be taken as demanding fruitful action of a sort that we have not yet discussed very much.

The Report presents increased participation both as a "good thing" and as a means to faster development. It is this latter proposition that I would like to discuss here.

The Report observed that there is a close relationship between widespread popular participation in the process of development and the effectiveness of the process. I suppose that the sub-committee's evidence is episodic rather than systematic, but the observation may well be true in general, and for purposes of this comment I wish to accept it rather than quarrel with it.

The language of the report may be taken as drawing the corollary that if A.I.D. stimulates greater participation in countries where development is not proceeding well, there will then be equally great effectiveness in those countries also. The corollary is unwarranted (even assuming that the association is a fact). It may be true that in some countries, the attitudes and experience of the people are such that they are both more interested in participating in economic development and more capable of doing so than are the people of other countries. Where they are, it is easy to draw them into developmental activities (or they spontaneously enter them, or even insist on taking part), and they participate effectively. But where the attitudes of the people are not conducive to their effective participation, then even the most earnest motions by A.I.D. will not bring duplication of the association elsewhere between participation and rapid development.

You cannot give people the spirit of cooperation by instructing them in how cooperatives function; you cannot turn people into entrepreneurs by providing them with businesses; etc.

However, the discussion in the Report of the desirability of fostering wide participation in development planning suggests another interpretation.

A development plan, prepared by a group at one side of the operations of government, and then presented to top officials, is usually of very little use. This is true whether the planning group is a foreign advisory team or an indigenous planning staff. For success, a plan must be prepared by interaction among central planners-budgeters and the agencies and units of agencies that will carry out the activities.

## On the Limited and Great Possibilities of Title IX-2

June 27, 1968  
Everett Hagen

The principle extends to regional and local units of government, not merely to agencies of the central government. Hence, it extends to the members of local communities. (It also applies to cooperation by the private sector in a plan, though this comment does not imply that private ventures should be centrally planned.)

It follows that if A.I.D. employees (direct hire or contractual or consultant) working with indigenous officials on a given project or on a development program as a whole, can suggest appropriate wider participation at appropriate points to the persons they are working with, it is to be expected that the plans will be better and their execution will be more effective. The things that should be said are, for example, "I am not sure that we are fully informed about the problems in operating this project. Can we set up a task force in the regional offices of the Ministry of Agriculture to consider this proposal, and perhaps a task force within the Ministry headquarters to consolidate their opinions and discuss them with us?" Or: "I wonder whether you might not ask the District Officers to ask the village councils to consider these local works proposals and suggest to us how they would choose priorities and what the local communities might reasonably be expected to contribute?" (For District Officers, substitute equivalents; I confess my British bias. For village councils, name your country and substitute your appropriate term, or think what local organization comes closest to being appropriate, and might develop through such an exercise.) (If the answer is, "The local bodies are so corrupt that they would make proposals that would line their own pockets or would enrich the richest landowners further," then there is room for your ingenuity in trying to induce the use of alternative channels.)

One might add half a dozen other such questions. In planning and executing programs or projects, alternative degrees and breadth of participation are possible in almost any country (though far more in some than in others). Within some range and arrangement of participation, the association of participation and effectiveness seems to hold. And if in the process of planning and of execution (appropriate) individuals who find it stimulating to participate are drawn in, then increasing participation will very likely increase psychic satisfaction, social stability, and all that.

This is not the sort of proposition that deserves or requires elaborate discussion, but perhaps the desirability, feasibility, and breadth of applicability of this procedure merit brief discussion.

6/27

ISSUES TO BE DISCUSSED

Ref. Friday agenda 6/27

- Fraser M.C.  
- Mene M.C.  
- Gammah Ford/Polad

1. Foreign policy context
- 2.. Meaning of Title IX
3. Role of Title IX in AID activities
4. U.S. capabilities; leverage and influence
5. Receptivity in host countries
6. Respective roles for :
  - a.) U.S. agencies
  - b.) Private organizations
7. What is needed for implementation

Ref: Friday a.m.  
June 28 Session

Selected Congressional References to Participation  
and Distributive Justice

- Fraser:** 'Most members of Congress believe that A.I.D. deals with the top and doesn't "reach" the masses.'
- Morse:** "I mean popular participation rather than political participation. I mean political development with a small "p", rather than a capital "P." I mean inter-human relationships and cooperation."
- Czarnecki:** "There was a growing disillusionment in the Congress with the facts of whom we were dealing with in the developing countries. There was a frustration that the bottom end of the societies were not participating in the fruits of our assistance."

Donor Lion  
June 28, 1968

COMMENT ON CONTRACTION AND EXPANSION OF THE  
DEFINITION OF POLITICAL PARTICIPATION

(Reference: Grant Hilliker's 27 June Paper)

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1. The view that receipt of economic benefits, as part of distributive justice, is primarily an output function, may tend to obscure the following:

- a) The impact on income, assets, or wealth distribution (of these benefits) may alter inter-personal or inter-group relationships in active, or dynamic ways which may have political as well as economic and social significance.
- b) The impact suggested above will likely also have sequential economic, social and political effects, via its shaping or motive influence on actual demand or on expectations. Distributive justice, therefore, involves the beneficiary as an actor and helps determine the lives of the subsequent acts of the never-ending play.
- c) A possibly important aspect of production in the LDC's can or should be involvement of the beneficiary in the contemporary act of the production he receives. This is a fancy way of saying "self-help."
- d) Related to (a) and (b) above, is the direct effects of "distribution" on the stake which the beneficiary has in the society. The attitudes of individuals and groups on this point is usually extremely important in political terms, if not in social and economic terms.

2. Even if it may be technically appropriate to exclude, by definition or by the logic of the process, distributive justice from Title IX, it could prove unwise and impractical for the policy makers, programmers and project designers to do so.

Topic: Meeting with Congressional group  
on the implications of current  
Title IX legislation  
Presentation: Reps. Bradford Morse, Don Fraser, and  
Mr. Marian Czarnecki  
Rapporteurs: Karl Jackson and Peter Weitz

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N.B. The "policy implications" of Mr. Sam Dillon's remarks in parentheses on page 4 of yesterday's minutes in the morning session (A/7) were hastily drawn and a bit facetious. Obviously the important implications to be drawn from Mr. Dillon's comments are that today there is a good deal of apathy among the citizenry towards the need for development. What is important is that individual members of Congress be approached and convinced of the needs for foreign assistance so that they may take the position of statesmen and leaders in the education of their constituency.

Max Millikan introduced the visitors and summarized the deliberations of the Conference during the last four days.

The visitors made the following points in introductory remarks:

Congressman Morse: Title IX grew out of two factors: 1) The feelings that more than just economic criteria and policies were necessary to deal with the problems of development. (2) As a possible means of eliciting more support for foreign aid in the Congress.

Title IX is not meant to imply that particular institutions, or particular forms of government should be adopted by countries receiving assistance. It is not a new form of leverage. It is an attempt to promote the development of any societies principal resource: people. It is meant to promote the involvement of more citizens in efforts to determine and achieve societal goals.

Congressman Fraser: One cannot remove the importance of security from any part of U.S. policy. Title IX does not deny this aspect; it aims at creating a world environment more compatible with our own value system. But one has to be pragmatic; this sort of environment is not necessarily promoted by any particular ideology. There is a danger of being constrained in the approach to development, by too many ideological "filters." One needs to look at the "functions" performed by institutions and groups within a society. Title IX seeks to promote the development of aspects which serve the function of increasing participation of individuals in their society and government. It seeks to promote general value systems, not specific forms of

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Topic: Discussion with Congressmen Fraser and  
Morse and Mr. Czarnecki on Title IX  
and Foreign Aid  
Presentation: Congressmen Fraser, Morse & Mr. Czarnecki  
Rapporteurs: Karl Jackson & Peter Weitz

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organization. It is important that Title IX, and all of U.S. foreign policy, adopt a more pragmatic understanding of the processes of change in the world; this will help develop more long range goals and check the tendency to react largely in times of "crisis."

Title IX is merely the first toe-hold in the desire to direct U.S. policy to looking at the whole process of change. No single approach, whether economic, or political or other, is sufficient for understanding the processes. For example, had a more comprehensive view been taken towards change in Viet Nam, the U.S. might not have made the many mistakes which have been made there. An agency such as AID which can use a comprehensive view towards change and development will not have the inherent shortcomings of institutions like the Department of State, the C.I.A., or the military.

Mr. Czarnecki Title IX has grown out of a longstanding and general dissatisfaction in Congress over the purely economic criteria used in analysing the needs of developing countries. Economic assistance was seen as being too long term, and often as not having the desired results. There was also a concern that our aid was going only to elites within the countries, and that the mass of the population were receiving no benefits from our assistance. He pointed out that a number of amendments to the Foreign Assistance Act, including those of Humphrey, Zablocki, and Hickenlooper preceded the incorporation of Title IX.

The following points were made during the discussion:

There is a significant resemblance between the Title IX concepts of increased participation and popular organization, and the ideas promoted by Saul Alinsky among the poor in the U.S.

Title IX seems to have had some success in getting new support in Congress for foreign aid. It has been associated with basic republicanism.

Carrying on from Congressman Fraser's comments on the desirability that AID be the principal agency for carrying out the Title IX mandate it was suggested that there is a need for greater coordination between AID and other agencies. Particular reference was made to the need to coordinate Department of State activities with AID in the Title IX areas.

It is difficult to generalize about the extent to which Title IX implies support for potential revolutionary groups within societies. Despite the obvious possibility that anti-system movements will be promoted.

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What are the limits to our capacity for intervention in the political affairs of other nations? It is important to remember the extent to which we are already involved through the military, the C.I.A., and other agencies. Part of the purpose of Title IX activities would be to counteract this essentially military type of intervention. In this sense it is a desire to put our best foot forward. In fact, we know more about the process of political development "than we know we know." What is needed is a greater organization and systematization of the combined past experiences of government agencies, quasi-government agencies, and private sector agencies in the process of promoting political and social change. We are perhaps overly sensitive to possible resistance in less developed countries. There are many levels in which we can effectively promote political change in less developed countries without encountering resistance or misunderstanding of our motives.

Congressman Fraser's point that a less ideological and more pragmatic view towards development is essential to Title IX's success was restressed. In looking for models, success in fulfilling needed participatory functions should be the major criterion.

Leverage is neither possible nor desirable as a form of implementing the Title IX mandate.

In order to get away from the cold war concepts and reasons for promoting development under the auspices of Title IX a new ideological impetus may be necessary. Perhaps the Republican and Democratic parties will have to develop a more ideological approach to the need for development. Leadership and support from both the parties and the President are extremely important to the successful incorporation of the concepts of development in American society.

Topic: Informal working groups with Congressional people to discuss issues  
Presentation: Working Groups A, B and C.  
Rapporteurs: Karl Jackson, Gary Maybarduk, Claudia Moyne  
Keith Smith

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Group A - Chairman, John Montgomery, Rapporteur - Claudia Moyne:

1. The problem of building a constituency for foreign aid. Robert Bowie's effort to create a type of Citizens' Committee on foreign aid on local levels was mentioned as one example. While particular groups may lobby and be interested in pushing particular aspects of the foreign aid program, the only effective and continuous general lobby has been the League of Women Voters. The lobby created for the Trade Expansion Act is the type of lobby it is necessary to create for foreign aid. Rep. Morse thinks a broad-based lobby is more effective than a specific interest-group lobby.
2. Receptivity for Title IX activities by host governments. This included discussion of the kind of strategy to be used to exert leverage on host governments. Should indirect influence be the primary technique or should the attempt be made to exert direct pressure on host governments which are often authoritarian? Another aspect of this general question is how to discuss the topic of "political development" now -- how to give guidance and develop a doctrine which will not scare off the recipient countries.

Rep. Morse suggested that the terminology should be popular participation (rather than political development). He also agreed that there was a need to develop a doctrine.

3. How to spread understanding of Title IX among AID and STATE personnel.

The lack of understanding on the <sup>part</sup> of AID field personnel as well as in general is one reason why it is necessary to develop a Title IX-political development doctrine. One crucial question is how sensitivity to Title IX elements can be built into technical cooperation projects.

4. The cooperation of private enterprise.

Rep. Morse believes that the bureaucracy may not be able to do the Title IX job by itself but will need the cooperation of the private and voluntary institutions and may also need to delegate the job to non-governmental agents in the field (such as the training of Peruvian college students to go and work in the countryside.)

The discussion of the possible future reorganization of AID also brought out that such devices as ComSat and the amalgam of public and private resources for development is the direction in which foreign assistance organization is most likely to evolve.

With respect to the problem of opposition to Title IX activities from U.S. private firms, Rep. Morse stated we should divorce U.S. commercial interests from U.S. foreign policy interests. *How?*

5. The question of whether one should focus on participation with respect to the individual, as being good for the individual, or on participation with respect to its beneficial effects on institutions:

It was pointed out that the strategy for achieving the above two goals might differ and that they may involve different time phases. It was suggested that U.S. policy must relate to these two aspects. A possible criticism which can be raised with respect to the concept of popular participation is that the U.S. is trying to create docile societies, "beggars democracies."

Rep. Morse thinks of cooperative participation as a desirable end in itself, on the assumption that it enlarges the individual. It was also argued that participation is meaningless unless it is tied to institutions, because institutions are the agents of the process of change. A distinction should be made between institutions which need only technical assistance in order to be effective and institutions which need a popular participation feature. He endorsed the examples of institution building (labor and employer organization in Turkey) cited.

6. The need to "sell" the aid program in general and Title IX element in particular

Rep. Morse thinks that a doctrine or rationale is needed to gain acceptance for the aid program. He believes that the U.S. public and the Congress need to be educated that development is a long-range business. In particular, the GAO and Congressional investigating committees need to be converted to this view. Rep. Morse does not think that limited funds are the main obstacle to Title IX.

Rep. Morse thinks that some kind of a new concept or rationale or "window-dressing" is necessary for A.I.D. to get the program through Congress. There is great need for generating a new spirit and new enthusiasm for foreign aid.

- 7. In cases of conflict between Title IX objectives and other U.S. foreign policy objectives, would Congress support the former?

Rep. Morse thinks that the two need not be mutually exclusive, and cited the case of Guatemala. In situations where it may appear that a country is "going down the drain" because of our activities, Rep. Morse thinks that a number of Congressmen would be supportive.

- 8. The question was raised whether U.S. aid can ever affect a reallocation of power in the LDCs.

Rep. Morse thinks that building up private institutions and fostering popular participation will help to put pressure on governments to be more responsive.

- 9. The issue of whether the conference report and deliberations should be made public was raised. Rep. Morse suggested that President Nyerere's Arusha Declaration might serve as an example of phraseology.

- 10. Future reorganization of AID.

Rep. Morse did not think that a decentralization was likely and he also did not think that multilateralization was very likely. However, he pointed out that multilateral organizations are getting more concerned about Title IX activities and therefore a greater shift of U.S. aid into multilateral channels might not be harmful to Title IX.

- 11. Rep. Morse did not think a tying together of Title IX with such domestic programs as Appalachia would be acceptable to Congress

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The following questions were raised at the session of Group B:

Group B - Chairman, Donor Lion, Rapporteur - Karl Jackson

*Don Fraser*

- 1. Should State and AID be integrated? Should AID be elevated to a cabinet level department?

Yes, on both counts.

- 2. Is it not important to use leverage in relation to Title IX especially in LDC's whose elites have an anti-charge orientation.

I am not opposed to the use of leverage; however, I doubt its effectiveness for long term goals. A reform agreed to under duress may not result in real change.

To abandon the use of short term leverage does not mean being unconcerned with criteria for country selection. Generally

influence has been more successful than leverage. Also, leverage overtly exercised is most effective when the object desired is very clear and identifiable, e.g., a change in balance of payments policy. In the political development field, what you want is neither a single decision nor highly identifiable.

3. In relation to the dilemma of long term goals being short-circuited by short term interests, there is still the possibility of a third alternative, i.e. one can do things while pursuing short term interests which benefit long term goals.

4. What are the countries where Title IX is most appropriate? Are there countries where it would not be appropriate?

If you view Title IX as a long range goal then there is nowhere that it is inapplicable.

5. In the Dominican Republic there are very severe political tensions which may be getting worse. It seems we are not utilizing political skills to bring about long term political goals. Does the fact that you brought up the Dominican Republic suggest a set of countries that have priority?

Yes.

6. Title IX includes an analytical requirement to facilitate better policy decisions. How should this be carried out?

An institution such as Hawaii seems to provide a solution to part of this problem. An international research institute could be set up to utilize the experience of other countries in addition to the U.S. and the host countries.

7. You seem to have a much wider conception of Title IX than simply as a means to increase participation.

You're right in characterizing my views as comprehensive. There should be a reordering of priorities giving new emphasis to long term political ends. I would make economic aid supportive of these ends.

8. How can the non-governmental organizations in the U.S. be utilized in the LDC's.

I would like to see young people involved in political campaigns in the U.S. meeting with their counterparts in the LDC's. Both sides might learn a great deal. Our political parties in the U.S. are relatively insular. We do not have mechanisms for making such contacts.

9. How does Title IX affect termination strategy. Would Congress or the people be willing to continue aid to economically developed nations like Taiwan?

You have hit upon one of the most important shortcomings in our present aid program. In the past reaching self-sustained economic growth has led to the termination of aid. Greece is proof of the shortsightedness of this approach.

It would be useful if Congress could define the economic conditions for termination of aid in a new way. Criteria linking economic growth with Title IX could be used, e.g., income distribution, percentage of participation in a market economy. Instead of balance of payments and inflation.

10. What is the purpose of Title IX? How tied is it to particular political values? How can it be implemented?

I do not think that Title IX requires the adoption of any particular set of instructions, instead I would look at the functional prerequisites. We should try to create societies capable of accommodating change without revolution. We should think in functional terms rather than institutional ones.

We must worry about how civilization will survive when more countries become economically developed. Economically developed countries may create a much more dangerous world. What are we going to do to improve our chances of surviving. Economic development itself turns out to be quite secondary in all this.

11. In terms of the final report coming out of this conference, what would you like to see?

I would like to see suggestions for the creation of a new competence in dealing with the LDC's, that would prevent our becoming involved unknowingly in another situation such as Vietnam. Some agency must develop this competence. Specific plans should be formulated regarding Title IX aid to political parties. Specific plans should be included for a situation which would integrate the knowledge applicable to development.

Finally, embracing Title IX should lead to a reordering of the priorities of AID in the direction of increasing the emphasis upon social and political objectives.

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Group C - Chairman, Howard Wriggins, Rapporteur - Gary Maybarduk

*Marion Z. ...*

The group discussed the rationale for foreign aid for Congress and the public. The opinion was expressed that foreign aid is dead as a name and unless the title and rationale are changed the program itself may also be dead within five years. It was felt that a new rationale must be developed which would relate to "people" and domestic interest if we are to continue with substantial resource transfers. The rationale and technique of its presentation and application will require several actions:

1. It will be necessary to de-emphasize the dramatic presentation.
2. It may be necessary to break up aid in the domestic <sup>if</sup> institution areas: food, education, etc. Such divisions would present administrative problems but we may have no other choice.
3. Initially aid may have to be limited to those areas with which our country feels a strong identification, i.e. Latin America, and South Asia.
4. It may be necessary to concentrate our aid on specific institutions and specific institutional effects, despite the possible dangerous political implications.
5. The Department of State and military are obsolete and may have to be restructured to meet today's needs.

In a different context the attitudes of Congress towards the political dangers of participation were discussed. The opinion was expressed that over the past several years Congress was divided equally between those who felt that our political interests come first, and those who felt we should not support dictatorships, but only popular and participatory governments.

Topic: Informal working groups with  
Congressional people to discuss issues.  
Presentation: Congressmen Morse, Fraser, and Mr. Czarnecki  
Rapporteurs: Karl Jackson, Gary Maybarduk, Claudia Moyne, Keith Smith

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The general afternoon session with Congressmen Morse, Fraser and staff member Mr. Czarnecki.

Max Millikan stated that he has received some general impressions from today's sessions.

1. That what he thought was a hopeless situation in long term development policy is not as bad as it seemed. This was based on the impressions he got from today's visitors.
2. That there is a general agreement that a broad interpretation of Title IX is to be preferred over a narrow one and the implementation of Title IX should be carried out with that in mind.
3. That overt leverage is not a particularly useful method that it would be better to use more subtle influences.
4. Nothing concrete had been decided on the role of various agencies except that they should probably be better integration between State and AID.

Dr. Millikan then posed a general question to the guests as to what they would like to see from the conference.

In reply, Congressman Morse stated, he would like to see a critical evaluation and statement of foreign aid rationale in general. Included in this re-evaluation should be an examination of whether or not Title IX is an adequate method to achieve the goals of foreign aid. If Title IX is an adequate way then it should be addressed

to specific programs. Examinations should also be made of the positive and negative side effects. In particular, the question of sensitivity should be examined and sensitive areas should be avoided should they become an inhibiting factor in the implementation of Title IX.

2. Vehicles for the implementation of Title IX should be determined as well as objectives and activities for the vehicles.
3. Does the implementation of Title IX serve American interests?  
Congressman Fraser replied making the following points:
  1. He felt that Title IX should be construed in a broad fashion including long term social and political fields.
  2. The political and social structure of the host country should be the number one concern, the economic aspect is only one part of the whole.
  3. He hoped that the conference would recommend ways of accelerating action for field research and training.
  4. We must seek to increase the level of competence and expertise in the decisions to intervene in the LDC's.
  5. He hoped that the conference would make recommendations for political parties in both the developing countries and the U.S.
  6. He hoped that the conference would make recommendations concerning non-governmental vehicles for as much of the implementation as possible. He hope that this would help to create a domestic constituency for Title IX.

Topic:           Relation between economic and political  
                  change as discerned through factor analysis of  
                  data from 74 less-developed countries.

Presentation:   Irma Adelman

Rapporteurs:   Karl Jackson and Gary Maybarduk

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The presentation reported findings of interest to the conference which had been derived from a factor analysis of aggregate data from 74 less developed nations. For the entire sample of 74 countries factor 1, which included economic and social indicators, accounted for approximately 40% of the inter-country differences in levels of GNP per capita. Factor 2, including political factors, explained approximately 18% of the inter country differences in the level of GNP. Factor 3 explained 4.88% of the variation. Included in factor 3 were indicators of social mobility, strength of the traditional elite, extent of nationalism, extent of leadership commitment to development, and extent of government participation on economic activity. Degree of social tension and stability of political system composed the fourth factor and accounted for only 1.4% of the differences between levels of GNP. All four factors are independent of each other in their effects on GNP. The overall conclusion is that economic and social variables accounted for approximately twice as much variation between countries on level of GNP/capita as factor 2 which was concerned with democratic institutions and political participation.

The remainder of the presentation was devoted to an analysis of the 74 countries after they have been broken into 3 subgroups according to their socio-economic level of development. In this section, the dependent variable was the rate of growth of real per capita GNP: 1950-51/1963-64.

In the low level countries it was found that less autocratic forms of government allow for greater economic growth but this only applies to 5% of the variants present. Within the context of conditions present in the low level countries in 1950-51, 1963-64 one can predict that the possibilities of change in the democratic institutions caused by economic growth will be extremely unlikely. This, however, does not take into account the conscious use of policy instruments to initiate change. The use of these instruments is made difficult by the fact that not all the factors are manipulable and that the scope of use of policy instruments for change is more limited in the low level countries than in the high level countries. Comparisons of the low level group countries with the intermediate group countries show very little difference except that a leadership committed to development becomes much more important in the intermediate level countries. There was a rapid change in this direction after a threshold has been passed.

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Topic: Relation between economic and political  
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In the high level sample there was a higher level of correlation between the economic and social development and the strength of democratic institutions. Furthermore, 80% of the inter-country differences in the rate of economic growth in the higher level countries can be attributed to administrative and economic factors.

For policy implications for Title IX several conclusions should be drawn:

1. As development proceeds, it is economic considerations that increasingly condition economic growth.
2. While the correlations do not necessarily imply causality, the fact that in the low and intermediate level countries there was little correlation between the two, while in the high level countries there was a great deal of correlation, which suggests that there is a threshold effect behind which economic growth might increase the possibilities for the formation of democratic institutions.
3. There is no evidence of positive correlation of participation in implementation and policy decision and economic growth except in the high level countries. On the other hand, participation in economic decision making and in distribution does affect economic growth.
4. If one wishes to use economic growth to develop democratic institutions he should not expect significant results in the low and intermediate countries and should expect it to take some time in the higher level countries.

J. Bernstein  
6/30/68

## Some AID Measurement Problems

### Background Programming Doctrine

In pursuit of general developmental purposes, AID identifies intermediate goals that involve change in specific variables in a particular society. It seeks these goals, ordinarily, by organizing clusters of activities for that purpose. Any particular activity may support several goals (and also have non-programmed effects). Each activity, in turn, is intended to help in the achievement of time-related targets, whose achievement is presumed (on the basis of analysis) to be significant for the achievement of the intermediate goals and the broader purposes. For each activity, AID programmers develop time-phased action plans that are intended to produce a rational ordering of inputs to produce the outputs indicated by the targets, and to do so efficiently in terms of cost/benefit ratios.

The general development purposes are presumed (on the basis of analysis) to support U.S. foreign policy interests, and some would hold that they must also have some grounding in common interests with the host country--if effective activities are to be possible. The activity targets at least, and preferably the intermediate goals as well, should be jointly developed with suitable host country authorities, and U.S. undertaking if the joint activities should be the result of a genuine desire and request by the host country government. In fact, with only occasional exceptions, AID funds are not committed for individual activities without a prior written agreement between AID and the host government as to what shall be done on both sides. AID's general doctrine is to be responsive to host country requests for assistance within the limits imposed by our interests and capabilities.

### The Problem of Measurement

To pursue these programming methods effectively, AID programmers need, among other things, identification of:

- the variables whose changes AID should attempt to influence, given its general purposes and intermediate goals;
- suitable criteria and indicators of change to use in analyzing and appraising ("measuring") changes of the type sought;
- suitable standards to use in evaluating good and bad or acceptable and unacceptable performance.

(This note does not deal with problems of establishing cause and effect relationships.)

The greatest difficulties in establishing suitable action targets and organizing action programs to achieve them, and in evaluating the results, arise when the most significant changes sought are primarily qualitative rather than quantitative in nature. This is typical of much of AID's activity, and particularly of technical assistance--with its "institution building" emphasis. This difficulty certainly pervades programming for

Title IX purposes. Yet we cannot sigh, and think about something else. We must do our best to identify meaningful indicators of the types of changes that we seek, and even to gain some perceptions of the relative orders of magnitude of various changes that are occurring, i.e., to measure the unmeasurable.

#### Braibanti's Criteria

Ralph Braibanti has suggested eight criteria as being significant in appraising institutional adequacy (and presumably, therefore, in appraising institutional change). These are criteria for a general assessment of dynamic institutional capacity, and do not seem to apply directly to the immediate capacity of an institution to perform specified services. I have taken some liberties with his statement of these criteria for purposes of brevity here and to address bureaucrats, and hope that I have not thereby distorted his meaning too much. He suggests that an institution's adequacy reflects its capacity to:

- (1) maintain the integrity of its structure and basic value base, while simultaneously (a) avoiding serious conflict with the basic values and attitudes of the society and (b) maintaining somewhat independent influence on the course of events in the society that can be harmonized with other influences within some cohesive overall system;
- (2) receive new norms (values, ideas, practices, etc.) from other institutions or from outside individuals (e.g. via transfer of persons, consultants, etc.), directly or via contact in some neutral institutional context;
- (3) assimilate old and new norms into a reformulation that provides new institutional objectives that will mobilize the energies and loyalties of its personnel;
- (4) maintain internal operational efficiency;
- (5) adjust to the larger interests of the society without sacrificing its own basic interests;
- (6) maintain suitable congruence between its declared objectives and its actual behaviour, as these are perceived from outside;
- (7) maintain suitable congruence between (a) individual roles of members or groups within the institution as perceived by the members, (b) such roles as these are formally prescribed, and (c) actual role behaviour;
- (8) innovate creatively.

There is overlapping and interaction among these capacities. There is a need to identify combinations of these (or other) capacities that are important in making particular types of institutions effective, in specified ways, in typical developing country situations. All of the capacities are not necessarily important in any one case. Moreover, there may be significant choices between alternative combinations of capacities.

Some AID Analytical Needs

To apply the suggested type of institutional analysis to anticipate or evaluate institutional effectiveness, AID programmers would need to identify:

- what type of effectiveness we're interested in for particular institutions, i.e., effective for what purpose (institutional survival, contribution to specified growth or "modernization" purposes, social or political stability, etc.);
- the particular developing country situations, e.g., levels of development and rates of change of relevant factors.

They could then try to identify particularly significant sets of capacities for the institutions that AID was trying to affect.

Presumably, U.S. field missions are able to identify these factors for their own programming purposes. Having done so, they would benefit from guidance regarding:

- useful criteria for evaluating Title IX or other types of institutional change (a la Professor Braibanti);
- specific indicators that can be examined to reveal the level of the various capacities named above, or current or likely future changes in these or other significant capacities (some may be self evident, but others are not--a pressing need, difficult to meet, is for short term indicators that changes that ordinarily take many years to occur are underway);
- suitable standards for judging the adequacy of an institution's capacities, e.g., in the form of combinations of capacities (and their relative intensity or other ordering) that experience has shown to be particularly important, for various purposes of general interest to the U.S., in specified typical developing country situations;
- suitable standards for judging the rate of change that may be expected in various institutional capacities.

This guidance may need to be varied for different types of institutions.

It would be useful to AID if interested conferees could, individually or through joint efforts with others, now or in the future:

- improve, expand on, or elaborate the foregoing types of comments on suitable methods of institutional analysis;

- provide helpful guidance for or leads to existing or perspective analyses aimed at identification of specific indicators of particular types of institutional capacity and change, as described above--both for types of institutional change that are likely to contribute to Title IX purposes (e.g., indicators of greater real participation in decision making and action in the economic, social and political spheres, of greater psychic satisfaction from the existing institutional arrangements, of the growth of institutions or institutional capacities likely to lead to such changes, etc.) and for other types of institutional change sought by AID;
- provide similar guidance for or leads to analyses aimed at identification of suitable standards;
- provide any immediate conclusions on these points.

Donor Lion  
7/1/68

Economic "Development" Indicators  
with Title IX Significance

We have agreed that the traditional effective measures of economic determinants and performance (GNP, savings/investment rates, productivity, balance of payments equilibrium and the foreign exchange situation, etc.) are less useful for measuring or describing societal changes reflecting what we have been calling Title IX developments.

We might therefore find of some value other economic or quasi-economic indicators which measure or cause or suggest favorable changes in the Title IX area--"progressive" changes in political forces, in political participation, in political attitude or, in short, "political development." (In all cases, read small "p" for political.)

A few such indicators are suggested below.

1. Modal income and income distribution
2. Extent of participation in the money/market economy
3. Ownership of assets distribution [land, business (single proprietors, stock ownership), homes, vehicles, etc.]
4. Rates of employment, unemployment and underemployment

Inasmuch as an important aspect of Title IX development is the extent of differences among important sector or other types of groupings within a country, it is also most relevant to measure these differences--sometimes called disparities or gaps. Thus, with respect to the above four indicators (and other), the inter-group gaps, and changes in these gaps, might well be identified concerning, for example:

1. Geographic (sometimes also with political significance) regions within a country
2. Rural vs. urban areas
3. Agriculture vs. industry

Depending upon how critical the phenomena described in the above (and other) indicators are to favorable Title IX changes, a Title IX strategy and program can be shaped, including the approximate weight or priorities which should be assigned to achievements sought.

This approach is simply represented as one direction we should consider to enlarge our analytical capabilities in the Title IX area. It also attempts to deal with significant phenomena, relevant to Title IX, which are more familiar to the traditional economic development operators.

Topic: Country Briefings:  
Presentation: KOREA - Princeton Lyman  
Discussant: Joel Bernstein  
Rapporteur: Claudia Moyne  
Presentation: NIGERIA - W. Haven North  
Discussant: Joel Bernstein  
Rapporteur: Peter Weitz

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Before the start of the meeting it was announced that the Steering Committee has decided to set up four sub-groups which will work out a list of issues to be covered in the final report. These sub-groups will meet in the afternoons on July 3rd and 4th. The final list of issues will then be worked out on Friday, July 5th.

Two special circumstances of the Korean case are of relevance to our discussions on Title IX:

1. Korea is a case where the U.S. involvement was very great. The U.S. has not been as involved for as long a period in any other country. This is relevant to the question of the size of U.S. material inputs necessary.
2. The Korean experience points out very well the close interaction between economic and political factors in the modernization process.

In contrast to the post-World War II period of anarchy, followed by the havoc and dislocations caused by the Korean war and then by a period of economic stagnation in 1958-62, the post-1963 period has been one of remarkable growth. Korea has had a growth rate of 9.5% annually in 1963-67 period. Some of the factors approximately relevant to this development are:

1. The inculcation of Western democratic values.
2. As a result of partition, people saw two options for South Korea, domination by Japan or domination by the U.S. Korea had a severe identity problem and this contributed to feelings of frustration and negativism regarding South Korea's viability.
3. South Korea's economic prospects were linked with her political future, i.e. people believed that South Korea had a dim economic future and therefore would not be viable as a political unit.
4. Great social changes took place in the 1950's, such as the large increase in education. There was a large disparity between the educational level and per capita, GNP. There was also accelerated urbanization so that by the mid-1960's 1/3 or more of the population lived in cities. The combination of education, urbanization and economic stagnation all led to frustration.

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Topic: Country Briefings:  
Presentation: KOREA - Princeton Lyman  
Discussant: Joel Bernstein  
Rapporteur: Claudia Moyne

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A comparison was made between the Korean situation and David Apter's typology of a mobilization system moving towards a conciliatory system, with three differences, however, the new regime did not have any embracing ideology of modernization; the youth did not rally to the mobilization system but pressed instead for greater democratization; and the structure of authority was not all-embracing.

The pressure for greater democratization by the youth and the intellectuals was reinforced by certain Government economic policies which aimed at loosening the traditional controls over the economy and to get wider participation.

The crucial factor in the Korean case was that the Government adopted the policy of economic development as the strategy to legitimize itself, to achieve genuine popular support. Some other consequences were a move away from U.S. dependency. This included a shift from pre-occupation with U.S. aid levels and fear that U.S. aid would be cut to a Government policy of phase-out of U.S. grant aid. There has been an upsurge of nationalism and independence. Secondly, the economic development emphasis laid a new basis for consensus in Korea. With respect to the reunification issue, the "german model" has been adopted -- the strategy of building up South Korea so that it will be in a much stronger position than North Korea when reunification prospects improve. Thirdly, it created a commitment to political stability. People began to believe that economic development depended on political stability and they identified the current Government with stability.

Remaining problems:

1. Political parties are weak. The political parties did not play an important role in the post-1963 economic developments.
2. The Legislature is weak and a tool of the Executive.
3. Restraint on political thought; the security threat has made even discussion of such issues as conciliation with the North, communism, etc. "taboo" topics.

Assessment of the U.S. role: Opinions range the spectrum from the view that the U.S. pulled all the strings to the view that the U.S. had very little influence. The decision to emphasize economic development was a Korean decision and the pace of economic development was also set by the Koreans. Otherwise, however, the U.S. influence in the economic area was significant: primarily because the different U.S. agencies in Korea were united in supporting the economic development goal and, therefore, the U.S. provided the necessary material means. Also, U.S. influence on Korean social values was great, such as the teaching of management and administrative methods to the military and the bureaucracy.

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### Nigerian Development and the Problem of National Integration

Mr. North opened his comments by reminding us that 8 years ago Nigeria had looked like one of the greatest potential success stories on the development horizon. His thesis\*that there was not sufficient (\*was) understanding of the forces of internal separatism and the needs to counteract these tendencies in the U.S. foreign assistance programs. He modified this thesis by suggesting that the nature of foreign assistance in Nigeria precluded any large scale influence of internal development. He reminded us of the number of forces which demonstrated the separatism in the country and which to some extent mitigated against this separatist trend.

1. Historically there was no political entity until 1914 and strong support for the separatism of the major states. Nor was the struggle for independence sufficiently difficult to significantly increase the sense of nation-hood. There were no real national leaders until after independence.
2. Economically each region had strong elements of self-sufficiency.
3. However, the bureaucracy set up by the British, particularly in the police, the army, and railroad, provided some base for national unity.
4. Development increased the problems of integration by putting stress on weak institutions. Implementation of plans led to competition between the states. Within the civil service, bias towards the particular states was increased. Nor was the Western region able to balance the competition between the Northern and the Eastern regions.

Reports made by the U.S. foreign assistance missions to Nigeria in 1960 and 1964 recognized the problems of separatism and stressed the weakness of the Federal government, but nonetheless felt that the Federal government's power was and could be increased and that this would counteract the essentially negative aspects of separatism. In point of fact the impact of U.S. foreign assistance promoted separatism as much as it promoted centralism. Regional field offices became as powerful as the central Administrator. The technical assistance and regional capital projects did not extensively strengthen the central government and because of greater absorptive capacity and organizational skill the South and East were given more aid than the North, with detrimental psychological and real effects. In terms of policy Mr. North mentioned five general discussions:

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1. The animosity between the Ibo and the northern region is deep rooted and will last for some time.
  2. There are now 12 states.
  3. Minority influence has been increased.
  4. There is a problem of controlling the army
  5. There is a problem of economic stabilization.

In the next several years turbulence will probably not decrease.

US-AID should support a stronger Federal government, but more importantly, greater coordination and cooperation between the unavoidable separate groups and institutions in the country.

General policy implications suggested by Nigeria include:

1. Importance of determining the nature of national power structures using historical as well as political indicators, i.e. just how close are the leaders to the people?
2. There should be an attempt to identify under-represented groups and minorities in the nation.
3. There should be an attempt to identify power structures in order to determine where separate power structures are isolated from each other or whether they are linked and how these links may be strengthened.

Joel Bernstein: In comparing the two countries Mr. Bernstein made two major points:

- a) Nigeria is characterized by diversity in political, social and economic structure; on the other hand Korea is characterized by homogeneity in these matters.
- b) By necessity there is a close correlation between economic policy and political development in Korea. In contrast, in Nigeria, economic policy played no significant role in domestic politics.

In comparing the two countries under the four principles he enunciated on June 24, Nigeria seemed to lack a conducive environment for development and a sufficient quantum of "good luck." With respect to the question of what role US influence played in Korea, Mr. Bernstein pointed out that, although the decision to emphasize development was a Korean decision, the fact that the U.S. was able, and willing, to supply the means to implement this decision was a crucial factor in building up Korean confidence.

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On the question of U.S. policy in Nigeria he suggested that Mr. North's emphasis on needs for centralism may have been overemphasized. In fact, Nigeria might find itself in quite a different situation had it started out with the 12 states that now exist.

General Discussion: The following points were made in the general discussion:

1. That the amount of success in national integration is not necessarily an outgrowth of the degree of centralization, the cases of India and Yugoslavia support this suggestion.
2. There was some debate as to whether centralism had been overstressed in early years of Nigerian independence. On the other hand, the effects of the U.S. foreign assistance policy in Nigeria were probably minimal in terms of supporting centralism or separatism.
3. Two major differences were mentioned in regards to U.S. aid programs towards Korea and Nigeria:
  - i. the magnitude of U.S. aid (over \$30 billion to Korea versus under \$300 million to Nigeria).
  - ii. the type of U.S. aid program (macro-economics, capital aid to Korea versus skilled development, technical assistance to Nigeria).

A proposition was put forth that where the U.S. policy supports basic economic and political trends (as in Korea) it may be "successful," whereas it counters major trends (as in Nigeria) it may not be successful. However, it was pointed out that it is difficult at any point of time to determine which of many is the "prevailing trend" in a single country.

Another proposition was made which suggested that external threats may not only increase the amount of U.S. aid but may also generate a type of continuity within a country in its attitudes towards development. This external threat existed in Korea but not in Nigeria. However, Princeton Lyman feels that the important area of Korean development postdated the period of extreme cold war tensions.

It was suggested that the conference might devote some time to the study of the role of the military, because U.S. military management techniques seem to have had a significant impact on Korean development.

Ruler of Kingdoms and Empires in Nigeria

1. Ancient Kingdoms and Empires of Nigeria within the 1000-1500 period

Yoruba (1,000 years old history)  
Total of 160 years covered a period of 1000-1500 AD  
It was based  
Yoruba Empire of Oyo  
City states of Niger Delta  
The Igbo

2. Colonial period up to 1900

In the 19th century (West Africa was a victim of colonialism),  
leading to the first stage in the development of a  
of migration system.  
Oyo - 18th century to 19th century period, with the decline of  
of Yoruba Empire, expansion and growth of Kingdoms of  
the 19th century.

3. 1804 - 1898

Uro - the Fulani created  
Fulani Empire covering Northern Nigeria except the Hausa

1830 - 1900

Fulani Empire created  
Uniform system of government and stimulated economic in  
Northern Nigeria.

4. Oyo - Yoruba Empire under Alafin in loose feudal system  
of petty Kingdoms extended from Dahomey to present Mid West  
border. Throughout the 19th century torn by civil wars.
5. 1903 - Lugard took over Fulani Empire.

1906 - 1912 one of most crucial in Nigerian history  
beginning of effective administration; western  
influence, new economic world, Christianity,  
new forms of administration and practice,  
Western education in South, railroad built, common currency,  
large market and open trade.

6. Amalgamation achieved in January 1, 1914

but Lugard decision set pattern of

1. maintaining North-South distinctions against others advice and preserved them as British Protectorate, Lagos remained a colony; Egbaland separate for while, Lugard also regionalized administration which exacerbated differences.
  2. Indirect rule had great difficulties in West and impossible in East but effective in North preserving their role.
  3. In sum, British administration tended to preserve native society and tribal structure.
  4. Missionaries, however, sought to change society to Western pattern.
  5. Education most radical influence particularly in south not north which emulated from missionaries.
7. 1914 - 60 - Seeds of new central administration produced new class of Africans.
8. 1929 - Nigerian Youth Movement started:  
1937 - Azikiwe took the lead with Ibo participation.
9. 1940's - Nigerian soldiers (common-man) fought in World War II, great impact on sense of unity.
10. 1947 - Richards Constitution included North in central legislature but established regional councils for the North, East and West = Dike "regional councils foundation of tribalism in Nigerian politics" one region twice the size of the others - "an unwieldy federation."
11. 1952 - MacPherson Constitution - followed period increased tribalism stimulated by Richards' Constitution.
- MacPherson Constitution - compromise between those - NCNC - wishing greater control government powers and those AG NPC wanting strong regions.

12. 1951 - 52 General Election: the first, party structure established on regional tribal basis. i.e., NCNC (East), Action Group (West), and NPC (North) plus minority parties.
13. 1953 & 1954 - Constitution independence target set representing end of relatively easy nationalist struggle for independence.
14. 1954 Federal Elections: NPC (North) 79 of 92 Northern seats; NCNC won East plus 22 seats in West to AG 19. As result, NCNC could choose 6 federal ministers, but NPC had largest number of seats in parliament thus forced coalition. This agreement of NPC and NCNC to cooperate, even though diametrically opposed on many issues, most significant development post war period.
15. 1957 London Conference: East and West regions eager to push ahead to independence but Northern Government reluctant until NPC had effective control of Ebur and could bridge gap between Kaduna regional government and native authorities; also needed to build up effective Regional Government staff. North agreed to 1959 date for independence.  
  
1957 London Conference: Also had critical problem of minority groups and agreed on national rather than regional police force.
16. 1959 Federal Election: No party had a majority- NPC & AG formed new coalition.
17. 1960 Independence and New Development Program to 1962-1963 launched.
18. 1962 - 1963 Mid-West Region established; breakdown Western Region administration and Federal take over.
19. 1964 - 1965= Census crisis over issue of inflated figures intended to give regions greater number seats in Parliament, problem of tribal documentation various Federal Government corporations, 1965 Federal Election debacle with North-South party alliances i.e., UPGA and NNA and Western Regional split; growing restiveness with political leader corruption, gap; between government intentions and people, increasing regional preoccupation and push on own development needs.
20. Fall, 1965: Western Region elections widen split between NCNC-AG and NPC-NPA for control of Western Region government.
21. Jan. 1966: Ibo coup after constitutional tactic failed to loosen Northern grip; killed or removed Hausa-Fulani leaders and their allies. Ironically, military regime took over and pushed hard for strong central government; May 1966 Northern traditional leaders reaction in massacre of Ibos and mass flight of Ibos back to the East in Fall of 1966.

22. May 30, 1967: After various attempts to heal breach, East declared independence and Civil War followed.
23. April 1, 1968: 12 States formed - six in North, two in West, one in Mid-West, and three in the East.

# map of NIGERIA



**KEY**

----- Tribes  
 1 to 47 ----- tribes indicated  
 by no's on map

- |            |             |            |
|------------|-------------|------------|
| 1 TIENGA   | 16 MBERBE   | 31 YUNGUR  |
| 2 KUKURUKU | 17 ODODOP   | 32 YESKWA  |
| 3 ITSEKIRI | 18 YAKO     | 33 BORROM  |
| 4 REBNE    | 19 NGE      | 34 ZUMPER  |
| 5 KORO     | 20 ARAGO    | 35 KENTU   |
| 6 MANDARA  | 21 GILI     | 36 NDORO   |
| 7 CUDE     | 22 BIROM    | 37 ZUANDE  |
| 8 KAPSIKI  | 23 ADELE    | 38 MAMBILA |
| 9 MATAKAM  | 24 JERAWA   | 39 MUMUYE  |
| 10 WAKURA  | 25 KURAMA   | 40 DAKA    |
| 11 MAMA    | 26 WAKJAVA  | 41 KAN     |
| 12 AFO     | 27 KAREKARE | 42 JARAWA  |
| 13 ORRI    | 28 BACHAMA  | 43 YARGUM  |
| 14 IYALA   | 29 LONGUDA  | 44 BUTAM   |
| 15 ECEDE   | 30 DERA     | 45 BOKI    |
|            |             | 46 WORKUM  |
|            |             | 47 JEM     |



4. The 1963 Division of Provincial Regions

### Independence Achieved?



Topic: Country Briefings - ALLIANCE FOR PROGRESS  
Presentation: James Fowler  
Rapporteur: Gary Maybarduk  
Presentation: BRAZIL - William Ellis  
Rapporteur: Claudia Moyne

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In discussing the Alliance for Progress Mr. Fowler pointed out that the original concept not only included economic considerations but also social and political ones. If there was any one fault with the Alliance for Progress it was that it had been oversold and expectations had been raised too high in order to start it in the first place. Mr. Fowler felt that those who were critical of the Alliance for Progress for not moving fast enough were not cognizant of the problems of change and are too impatient. He stated his belief that there has been considerable change in recent years but that much of our efforts had been limited to changing attitudes and this can take several generations.

BRAZIL - Economic Background

1. Rapidly growing population; population has doubled since World War II
2. Industrial production has quadrupled since World War II.
3. The lagging sector has been agriculture. Yields per acre have not increased. The increase in agricultural production has been due to increased acreage. However, income in agriculture has grown faster than the average income -- due to migration of people to the cities and to price elasticities.

Political Background: Mr. Ellis briefly summarized the series of regimes since 1930. The general pattern which emerges is that in recent times no President has been elected by a majority of the people. The situation is basically unstable because, in order to be elected, Presidents have had to rely on a coalition between the left, represented by the labor movement, and the conservative landowners, represented by the Social Democratic Party. And once in power, the President cannot alienate the middle class. Thus, the political system in Brazil will only work if:

1. The economy goes well
2. If the President does not offend the strong centrist tendency in Brazilian politics. For example, the military take-over in March 1964 was the result of chaotic economic conditions and a feeling by the middle class that their interests were seriously being threatened.

Since 1964, the Government may be characterized as being composed of technocrats who are generally cautious and conservative but willing to make as much social change as the political system will allow. The philosophy is to promote economic development within a framework of a modicum of political stability.

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The political framework in which AID must operate for the foreseeable future is as follows:

1. The fact that the Presidential system has had a spotted history. No President has been a complete success.
2. A feeling that only an authoritarian-type regime is now possible.
3. The Party structure has no ideology. The current two parties are unlikely to survive if there is a change in the political system.
4. Centrist tendencies will remain for some time.
5. A certain amount of demagogery will be a fact of political life. The progressive left faces the problem of having to develop a political base. The Labor Party has become too opportunistic to serve as a political base for the moderate left. In the future, the urban areas will increasingly provide a political base, as they change from a minority to a majority.

Areas of AID concern:

1. The educational system
2. The land-tax issue
3. Housing, Labor cooperatives, etc.
4. Attention to municipal problems, giving a greater role to municipal governments.
5. The area of income tax collection.

General Discussion: The following issues and problems were discussed.

1. The problem of how to deal with an authoritarian regime. The conference needs to give guidance on the U.S. posture towards authoritarian regimes.

In this connection the question was also raised whether it was necessary for the U.S. to work with authoritarian regimes. This involves the whole issue of whether a strategy of "letting countries go down the drain" should not be used in certain cases. It was pointed out that in some Latin American countries the U.S. is playing a game of brinkmanship which, in effect, leaves open the option of "letting a country go down the drain."

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Within the framework of cooperation with authoritarian governments, what are the possibilities of simultaneously working with progressive groups? It was felt that if this is narrowly interpreted, i.e. support of political opposition groups etc., then AID is not a good instrument for doing this type of activity. However, in a wider and more indirect sense, AID may be able to do a lot. Brazil was cited as an example where it was possible in 1963-64 to work directly with the Governors of the states, many of whom were not strong supporters of the central government.

2. The role of "rhetoric" in the Alliance for Progress. Mr. Fowler felt that exaggerated rhetoric at the time of the founding of the Alliance led to false expectations and is now one of the problems in that it has led to disillusionment. However, it was also argued that a certain amount of rhetoric may be necessary in order to motivate people. The problem of the Alliance may be just the opposite, i.e. that the rhetoric has disappeared. It is necessary to renew the mystique of the Alliance.

It was also pointed out that the Congressional group thought that a new rhetoric was needed in order to sell the aid program.

Furthermore, in Latin America in particular, rhetoric and political "style" are very important.

Related to the general question of "How much" rhetoric is "what form" of rhetoric, the form of rhetoric is related to what groups the U.S. will support.

3. The point was made that the U.S. often has less leverage than is generally believed.

4. It was suggested that the U.S. should not be too "humble" about its desire to promote representative government, since there seems to be a general, world-wide desire for more representative institutions.

5. Some examples of the kinds of activities undertaken in Brazil and Colombia with Title IX implications were discussed; such as reorganization of the financing of primary education in Colombia, giving more fiscal responsibility to local bodies; and establishing local rate-setting agencies in the fields of power, water and sewerage. In Brazil, Title IX has not always been an explicit dimension of AID projects.

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However, it was pointed out that many of AID's projects have Title IX objectives but they have not been described in this way. Title IX terminology has been lacking.

6. The relationship between economic and political development. It was argued that the primacy of economic development should be retained since this is what the people in the less developed countries prefer. Secondly, economic resources are needed to implement Title IX values. Thirdly, material resources may also be the primary factor in changing basic attitudes. However, it was also pointed out that any economic improvement is not the same as Title IX. It is necessary to be more refined in conceptualization of the types of economic activities which have direct Title IX implications.

7. The question of differences in the probability of success between projects supported by the U.S. unilaterally and projects supported by the Alliance structure. CIOP was discussed as an example of the latter. Mr. Fowler felt that CIOP has sometimes not been sufficiently performance oriented and that there has been a lack of frankness in the discussions. In comparing, AID with the IIB it was felt that the U.S. bilateral program has been more effective in terms of bringing about changes. However, IBRD and IMF performance compares very favorably with AID.

8. The question whether self-help criteria are not basically in conflict with the self-interests of the Latin Americans. It was argued that there was no conflict of interest here. While self-help will eventually lead to reduced U.S. aid, the basic objective is to affect a redistribution of income within the country, so that particular groups will get more of the domestic resources. Even inflation does not favor the poorer classes since in the competition for scarce resources the poorer classes are likely to be losers. Therefore, even stabilization programs benefit the poorer classes.

9. It was stressed that the problem in Latin America was no longer in the agricultural sector, but in urbanization. The jobless urban are the key problem.

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Rapporteur: Peter Weitz  
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Discussant: Charles Stockman  
Rapporteur: Gary Maybarduk

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U.S. Involvement in Panchayat Program in Nepal:  
"The Case of the Pure Hearted Prostitute."

Mr. Cool introduced his subject, the Panchayat program in Nepal, by suggesting that this is a very important community development project for Title IX consideration. It is one of the few cases of overt direct American activity in political development. However, in terms of a matrix he presented its impact on the socio-political spectrum is limited. Its major impact is on the long-term development of the political system. It is a program carried out largely by low-level people in the local administration and by American technicians or operations people. He pointed out that it is at this level, however, that government programs may ultimately succeed or fail, i.e. "never underestimate the power of incompetent, unwilling, or for that matter, highly competent subordinate."

The historical situation which brought out the American participation in the Panchayat program was important for its success to date. The Nepalese society and political culture has been highly authoritarian but with sharp divisions between the urban and the isolated rural groups. Effective government penetration outside of the urban areas into the Himalayas has been in the main very slight.

The Panchayat program was conceived by the King in 1960 as, among other things, a means of increasing his power base in the rural areas, and as a means of increasing participation in government after he summarily dismissed parliament and imprisoned the Prime Minister, thus outlawing the Nepalese Congress Party.

The U.S. only reluctantly became involved in the King's Panchayat program. It had been involved and was instrumental, in establishing one of the first means of government penetration into the rural areas, the Village Development Services. However, the U.S. was also there for strategic reasons. The U.S. had been closely associated with the outlawed parliamentary government and was very hesitant to support any new projects of the King. Ultimately it decided to support the Panchayat program both for the shortrun purpose of supporting the King and for the long term purpose of promoting political development.

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The Panchayat program was not a particularly revolutionary idea nor has it been revolutionary in its effects. It had been considered by the ruling family before the 1950 revolution, and was ideologically embedded in Hindu mythology. It essentially has resulted in the setting up of 3600 village councils with representative councils at the district, zonal and national levels as well. The U.S. has only been involved at the district and national levels. There has been no attempt to displace traditional village elites. In terms of national politics the effects have been very little. The village Panchayat having been given some power through fiscal reorganization but they did not pose any significant changing in the balance of power between the rural and the urban areas. However, in the long run this small shift in power and resources may have some effect on the political balance within the country.

The only other obvious effect of the Panchayat was the initial economic leverage which the U.S. exerted in order to elicit fiscal and monetary reforms in the national government.

It is very difficult to measure or speculate effects of the Panchayat system on political attitudes and basic behavioral patterns. It is important to realize in attempting to evaluate the "success" of the Panchayat system that given the nature of Nepalese social and political structures only a moderate amount of "liberalization" may be expected in the first year of this program. It is very difficult to speculate what the long term effects the Panchayat program may have if it continues to exist.

One or two lessons can be drawn for U.S. involvement in other similar projects.

a) The commitment of the host government and of host country nationals to a project can be of crucial importance to the success of the project.

b) A pragmatic program with room for failure and improvisation, as well as success, can ultimately be quite effective. What is important is the realization of the various possibilities by both AID and the host government (= "humility"...) )

c) . Regardless of the capital outlay in political development projects, economic criteria cannot be used to determine "efficacy" and are often inadequate and/or inappropriate, particularly in the short run.

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Mr. Simmons felt that Thailand has a reasonably effective government, at least, as effectively government downward, but that political communications upwards is very limited and that the focus of our attention has been in making them more responsive but not necessarily more representative. He stated that AID's role in Thailand is much more political than economic.

Mr. Simmons discussed several of our programs in Thailand, they include:

- I. The Accelerated Rural Development Program (ARD). This program is an attempt to give local governors the resources to respond to local problems it assumes that given these resources the governors' attention can be shifted from Bangkok to the provinces. It also assumes that such a program may help decentralize the government in Thailand. He felt that the first assumption had been essentially accurate and the second less so.
- II. Democratic Development program. This program includes three parts,
  - i. a village leadership program
  - ii. the establishment of village communities
  - iii. attempts to work at the district level with farm groups.
- III. Participant Training: The U.S. and Thai governments and various private individuals and organizations have brought considerable numbers of Thais to the U.S. for educational purposes. Returning Thais seem to have had a much greater understanding of the need for administrative responsiveness.

Mr. Simmons listed several assumptions and questions about our program in Thailand which deserve further investigation.

1. Will our economic development plans allow for evolutionary rather than revolutionary change?
2. What is the political impact of various AID programs on the internal power structure of the Thai government?
3. In the ARD program, are we likely to concentrate power in the Ministry of the Interior rather de-centralizing it throughout the country?
4. In regards to our development democracy program he felt there were several issues which should be discussed further:

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- a) are we strengthening parties and organizations or simply individuals?
  - b) are the organizations we are strengthening likely to become dominated by communist groups?
  - c) what are the long term implications of strengthening local institutions?
5. In at least the short term, what is the trade-off between a responsive government and an effective one?
6. How does one influence the political dynamics at -
- a) the national level
  - b) the village level
  - c) the political organizing process and its influence on administration?

Charles Stockman: Mr. Stockman made several points:

1. He thought that U.S. influence is now higher than before as a result of our AID program but that our leverage is not. The Thais are used to foreign advisors and are willing to have them but feel free to accept or reject advice on its merits.
2. Our aid is direct/towards the rural areas and consist to a large extent of providing community support to Thai programs. /ed' By providing resources we have changed the attitudes of those administering these programs. Governments must now deal with and draw resources from the national government in Bangkok.
3. The U.S. and Thailand joint Northeastern development plan has two unique aspects:
  1. planning implementation has been combined with both planners and operators participating.
  2. It has attached to it a small research team whose function is to question the assumptions made in the plan.

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General Discussion: In the discussion that followed several areas of concern were brought out:

1. In response to a question about next Title IX efforts in Northeast Thailand it was pointed out that our intelligence in this area is limited. But that both ourselves and the Thais are very interested in the problem, and that in some areas the national government have tried to use the known communist methods themselves.
2. In regards to our interest in Thailand several points were raised:
  - a) it is assumed that the U.S. wishes to retain its influence in Southeast Asia
  - b) the insurgency is a threat to our long term interests. Apart from our short term military interests regarding bases and the situation in Vietnam.
  - c) The opinion was expressed that given Congressional attitudes of Title IX objectives, all this would not be important enough to continue our resource transfers.
  - d) it was also discussed whether or not the insurgency in Thailand was great enough to be a threat to the Thai state.
3. Corruption's influence as a positive and negative force for effective government was discussed. It was stated that there was little consensus within our AID mission about what can be done to eliminate corruption. It was felt that corruption at the lower levels definitely does hurt the relationships between the population and the government. But, at the same time, it might lead to a more effective government in a narrowly defined sense. It was concluded that more study must be done.
4. In regards to the military efforts in Thailand the question was raised whether mobile demonstration teams and other military projects were debilitating to the national government.
5. Finally, it was discussed but no conclusion was reached as to whether or not we were placing too much emphasis on giving equipment, and thus endangering or diverting the Thais from the more important pursuit of improving institutional administrative responsiveness.

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 Topic: Country Briefings; NEPAL  
 Presentation: John Collins  
 Rapporteur: Peter Weitz

APPENDIX

X Matrix for Locating the Impact of the Panchayats

Levels	Ambassador	Macro political	Short-term internal (political)	Long-term development (political)
Policy:	Country Reps			
Resource Allocation:	Program Officers			///
Operation:	Technicians		///	XXXX

John Cool  
July 3, 1968

COUNTRY BRIEFING: NEPAL

PANCHAYAT DEVELOPMENT PROJECT

Operational Assumptions. Putting aside consideration of the policy assumptions underlying the decision of the U.S. to respond positively to King Mahendra's request (as being beyond the purview of AID and of this discussion), the following are the major operational assumptions which were made by the U.S. advisor and by some Nepalese officials in developing the Panchayat Development Project:

1. That economic development of Nepal is both desirable and, at least within modest limits, possible.
2. That both the degree to which economic development is likely to result in a broad sharing of increased levels of well-being, and to some extent, the pace at which it will proceed is positively correlated to broad participation in both government at the local level and in some forms of economic endeavor.
3. That economic growth is more likely and more likely to be sustained where larger numbers of individuals perceive of themselves as having the ability to effect control over their environment (without resort to appeal to super-natural forces) and where smaller numbers are long-term fatalists.
4. That the ability to perceive oneself in a changed state in future time and to identify with successively larger, more broadly encompassing groupings and associations is desirable attributes, i.e. are positively correlated to 'modernization.'
5. That the individual's self-perception, his attitudes and, over time, the values of his society can be affected by the experiences which he has. Specifically, that participation in decisions and in development activities which result in allocation of resources and changes which improve the individual's condition through time are likely to increase his confidence in his ability to manipulate his environment.
6. That the creation of a local government institution can afford a significant number of individuals the opportunity to participate in decision-making and resource allocation which can bring benefits to themselves, their families and their communities, is desirable and will tend to cause the participants to identify with a body politic larger than the extended family.

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July 3, 1968

7. That representative and reasonably responsive local government bodies can, if given authority and command over resources, handle many problems of a local nature more expeditiously, more efficiently and even more justly than more centralized governmental units.
8. That representative local administration linked to larger administrative units and to the national government affords a channel for both vertical communication and some vertical mobility and that both these features are desirable.
9. That involvement of the broad base of the population in even small scale public works type development activities tends to give them a 'stake' in their community, encourages them to believe that change is both good and possible, and supports and encourages the emergence of progressive political communities.
10. That local government would serve as a counter-vailing force against increasing pressures towards centralization as development brings more (and more complex) responsibilities to the small elite of national managers responsible for planning and controlling the 'rational' allocation of scarce human, financial and material resources. Having created a political institution and given it both well-defined responsibilities and legal authority (to collect revenues and allocate resources), the central administration will find that it must be increasingly responsive to the needs of local authorities and, through them, to the needs of the broad base of the populace.

While there are other assumptions implicit in the program, these ten seem to have been central to project formulation. Many derive from earlier community development experience. Some may be shared by exponents of Title IX.

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EXCERPT FROM PANCHAYAT DEVELOPMENT PROJECT AGREEMENT BETWEEN  
AID AND THE MINISTRY OF ECONOMIC PLANNING,  
AN AGENCY OF HIS MAJESTY'S GOVERNMENT OF NEPAL

I. Description of the Project Activity

A. Statement of Purpose

The objectives of this Project are:

1. - Institutional Development. By bringing into existence a responsible, and increasingly responsive, representative institution of local self-government based upon elected village and district Panchayats (councils), this Project seeks to afford the broad base of the populace the opportunity to participate meaningfully in those local decisions which most directly affect their lives.

2. - Social Mobilization. Through the Panchayats this Project seeks to mobilize the under-utilized elements of the labor force and the untapped initiated, small-scale, self-help development activities of a public works type which will benefit the local community. The productive investment of currently unused human, material and financial resources will result not only in the formation of additional social overhead capital but will also afford great numbers of people the opportunity to participate directly in the improvement of their own communities and in the national development.

3. - Attitude Change. In the process of involving the people, their elected leaders and officials of the government in cooperative self-help efforts this Project seeks to alter their attitudes toward each other and toward their environment. by affording them the opportunity to successfully demonstrate to themselves their ability to plan and execute activities which result in meaningful change for their communities, it is believed that this Project will give local leaders greater confidence in themselves, greater competence in administration, and the capacity for greater autonomy at the lower levels of the Panchayat system.

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Although the long-range objective of this Project is the emergence of the institutions, administrative competence, attitudes and values which will create and support a participant society, it is not contemplated that the multitudinous and complex changes required to achieve this end can be brought about by this project alone. Rather, the Panchayat Development Project must be seen as merely one element in the coordinated, cooperative program being undertaken by His Majesty's Government of Nepal to accelerate the modernizing processes throughout the nation while preserving those elements of the traditional society which are functional, efficient, and socially just. The objectives of this program include a broad administrative reform, clarification of relationships between officials of all agencies of the government, decentralization of authority to the lowest levels compatible with sound administration and a wider sharing of political power, economic well-being, and social justice among all elements of the national community.

April 15, 1964.

John Cool  
July 3, 1968

Panchavat Development

I. Description of the Project Activity

A. Statement of Purpose:

By means of this agreement His Majesty's Government of Nepal (HMG/N) and the United States Agency for International Development Mission to Nepal (USAID/N) undertake to cooperatively organize and support a Project Activity in the field of Panchayat Development. This Project Activity will embrace a national program of training and self-help activities at the village level and will have the objective of establishing throughout Nepal a development oriented system of local government administration based upon popularly elected village councils or Gaun Panchavats.

HMG/N regards the Panchayat system as the basis for establishing democracy from the bottom of the society upwards and attaches the highest priority to this program. The stated policy objective of HMG/N is to insure "the participation of the people in the administration and (in) local development through local self-government institutions". Panchayat Development is seen as an effective means of decentralizing authority and of involving the broad base of the populace meaningfully in its own development. USAID/N assistance in this activity is in response to a request made by HMG/N.

The concept of the Gaun Panchavat is traditional within Nepalese society. Such bodies have served on an informal and customary basis to arbitrate disputes and to make decisions affecting both individuals and caste groups within local communities for many centuries. Under this agreement an objective will be to seek to preserve that which is functional within the traditional pattern of local self-government while integrating the village authority structure into the larger whole of district, zonal and national administration.

Emphasis will be on making maximum use of local-level leadership, initiative, resources and labor to carry out self-help community development works. By decentralizing control over, and responsibility for, such small-scale activities to the maximum extent compatible with competent administration and the rational allocation of available resources, limited governmental finance and skills can be applied throughout a larger area. By encouraging the native participation of the people in activities which benefit a wide segment of their community, this project activity seeks

Country Briefing: Nepal-6 B/5<sub>1</sub>

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July 3, 1968

to overcome the apathy and long-run fatalism which constitute major obstacles to development. By demonstrating in ways which are meaningful to the villagers the capacity of their local leaders to identify common needs and to organize their own resources to satisfy these needs, it is believed that significant change in the attitudes and values of the rural people can be fostered. Such attitude and value change is a primary goal of this project activity.

This activity aims at the creation of a reliable apparatus of local government administration based upon elected councils which will become increasingly responsive to the needs and will of the people. It is considered that the institutionalization of a system of viable, self-reliant local government bodies within a national framework will increase the sense of identification of the rural people with the national body politic. The establishment of such an institution, affording the means of vertical communication and vertical mobility within the nation, can contribute to an atmosphere of political growth in which progressive economic and social development can take place.

Though the goals of this project activity center upon the training of local leaders and the support of self-help community development projects of a non-technical nature, the objective is the creation of progressive, self-reliant local government bodies with an assured sense of their social, economic, and political responsibilities and the creation of an institutional framework which will afford both the organizational structure and the motivation for the rural people to participate positively in the development of Nepal.

January 17, 1963.

July 3 - Morning Session  
Topic: Country Briefings: THAILAND  
Presentation: Fred Simmons  
Discussant: Charles Stockman  
Rapporteur: Gary Maybarduk

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1. It was noted that there appears to be a direct relationship between the presence of a large number of Americans and the amount of insurgency. Does presence in and of itself crystallize some form of discontent which might remain latent if the number of Americans is kept small? If so, what are the implications for Title IX programs?
2. Currently self-sustaining growth is the basis for phasing out aid programs. Has Title IX changed this standard?
3. What effect does an over-riding military interest in a particular country have on Title IX questions? Aren't programs in these countries necessarily short range and thus in conflict with a Title IX approach?

July 4 - Morning Session

Topic: "Vietnam"

Presentation: John Bennett and Vincent Puritano

Rapporteurs: Karl Jackson and Claudia Moyne

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John Bennett's opening remarks

I will speak on two aspects of the Vietnam program at the macro level: one, the political aspects of the problem and two, the macro-economic aspects.

From the very beginning there was a political preoccupation by both the U.S. and Vietnamese governments. The basic commitment to a democratic method of forming governments exists in Vietnam. The fall of the Diem regime confirmed the destruction of the imperial system of government. The crisis of institutional legitimacy which came with the fall of Diem was concurrent with a struggle for power. In general, there was a conspicuous lack of strong non-Communist, civilian institutions. This resulted from World War II and the anti-colonial war against the French. Politicians tended to think of political party activity as covert rather than public activity. None of the political activity presently extends very far outside the cities. The villages and hamlets are not involved in the system.

Short-run military considerations have remained very high on the list of priorities. The Viet Cong have constantly increased the level of military technology. The Vietnamese military (ARVN) will continue to have political power as long as the military situation continues to be as important as it is.

In many ways, the experience in Vietnam has added up to a sense of frustration at our lack of leverage. However, we have also lacked at critical junctures alternatives which were clearly preferable to those presented by the Vietnamese. From the point of view of many Vietnamese, the war has been Americanized. This was the fatal error in that it decreased the sense of Vietnamese involvement in the war.

In addition to these problems, there has been a continuous erosion of the effectiveness of the Vietnamese administration. The real drop in effectiveness came when the central executive lost his power because of his loss of legitimacy. Without a legitimate executive, there is no solution to the problem of increasing the effectiveness of administration.

The aftermath of Diem's fall made it clear that our political problems were much more serious and difficult to solve than anyone had anticipated. The problem was to create a stable government with

July 4 - Morning Session

Topic: "Vietnam"

Presentation: John Bennett and Vincent Puritano

Rapporteurs: Karl Jackson and Claudia Moyne

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a sense of legitimacy. The processes of constitution writing and electioneering have had a terribly important effect. They have given the GVN a sense of legitimacy that no previous government, and not even the Communists, have ever possessed.

Now I will move to the macro-economic aspects of the Vietnam problem. The purpose of our policies at the macro-economic level is building the foundations of democratic government. The engine of social change over the last four years has been economic development. There has been very substantial economic development. For the first time you have an economy operating on an excess demand. People have become sensitive to the market mechanism. Vietnam now has a substantial amount of wage employment that never existed in the past. Another change has been rapid urbanization. Geographic and job mobility has grown to a degree that was never thought possible. Also, there has been a tremendous growth of entrepreneurial activity in the realm of small business. Change in income distribution has become an important part in our macro-economic considerations. Overall, I am convinced that the standard of living of the lower reaches of society has been raised and that the gap between the top and the bottom has been there. There has been an improvement in public administration and particularly in the tax system. The land tax power has been handed back to the villagers. A serious problem concerning political integration is that there are no natural units of government between the village level and the central government level. The provincial governments are merely an extension of the arms of the central government.

#### Conclusions

1. The number of people and programs conducted in Vietnam have grown to such an extent that we are getting negative feedback.
2. There must be a clear recognition of the limits of our own power in such a situation.
3. Both within AID and the US Mission there are enormous interests and pressures. This results in a program manifesting immense difficulties in communicating priorities throughout its own structure.

#### Note on Vincent Puritano's presentation

In order to do justice to the richness of Vincent Puritano's remarks, we have asked him to provide a more full set of minutes than we normally produce. These minutes will be circulated on Monday.

July 2, 1968

MEMORANDUM TO: Participants in M.I.T. Summer Study on Title IX

FROM: W. G. Carter 

Attached are the following:

1. Some preliminary notes suggesting the role of private institutions, both U.S. and LDC, in achieving Title IX objectives, and the various relationships between the players. They are designed to stimulate attention to an important aspect of our work.
2. A recent speech of mine on private resources in development, inserted in the Congressional Record by Congressmen Kastenmeier and Hanna with the following remarks: \*

"Mr. Kastenmeier: Mr. Speaker, in times like these when we hear much uninformed criticism of foreign aid as a government-to-government handout program, it is helpful to be reminded of the growing public-private partnership in our U.S. foreign assistance programs.

The address given before the National Farmers Union convention in Minneapolis on March 18, 1968, by W. G. Carter, Executive Director of the Private Resources Development Service of the Agency for International Development, is an exciting report on the broad participation of U.S. private groups, both profit and nonprofit, in the less-developed countries. Moreover, the report shows a gratifying responsiveness by AID to congressional mandates.

Mr. Speaker, Mr. Carter's remarks are convincing evidence that the major attack on the problems of development, abroad as well as here at home, can best be made through effective public-private cooperation."

"Mr. Hanna: Mr. Speaker, our experience with the foreign aid program has shown us that those countries which are developing most rapidly are those which have used private resources to full advantage. Private enterprise and institutions - American

\*Sent under separate cover.

and foreign - are essential to the task of democratic development. Government assistance, while also essential, will never be sufficient. . . .

With the passage of title IX in the 1966 Foreign Assistance Act, AID instituted a whole range of programs designed to encourage private initiative . . . to facilitate the participation of the private sector in the development process and advance the objectives of title IX . . ."

Under separate cover I am sending up a number of copies of a supplement to Mr. Gaud's testimony of March 6, 1968 to the House Foreign Affairs Committee on private resources in development which gives some indication of the breadth and variety of involvement of the U.S. private sector in A.I.D. programs and includes a number of specific examples of the kinds of relationships dealt with in the attached notes. (Lynn will put them in the library if any of you want to take a look.)

## A LOOK AT TITLE IX THROUGH PRIVATE SECTOR GLASSES

These notes attempt to sketch a conceptual framework within which this Conference can address two complicated sets of questions:

- What kinds of private institutions in the LDCs, profit and non-profit, are relevant to achieving U.S. Title IX objectives?
- For what purposes and by what means can U.S. private institutions, profit and non-profit, make the most effective contribution to achieving Title IX objectives?

Several of the relevant questions were suggested in Item 1 of the report of the original subcommittee on functional groups. Others will be included in these notes. There are many others. Nevertheless, you have to start somewhere, so here goes.

### I. First, the "Universal Title IX Matrix" (Figure 1)

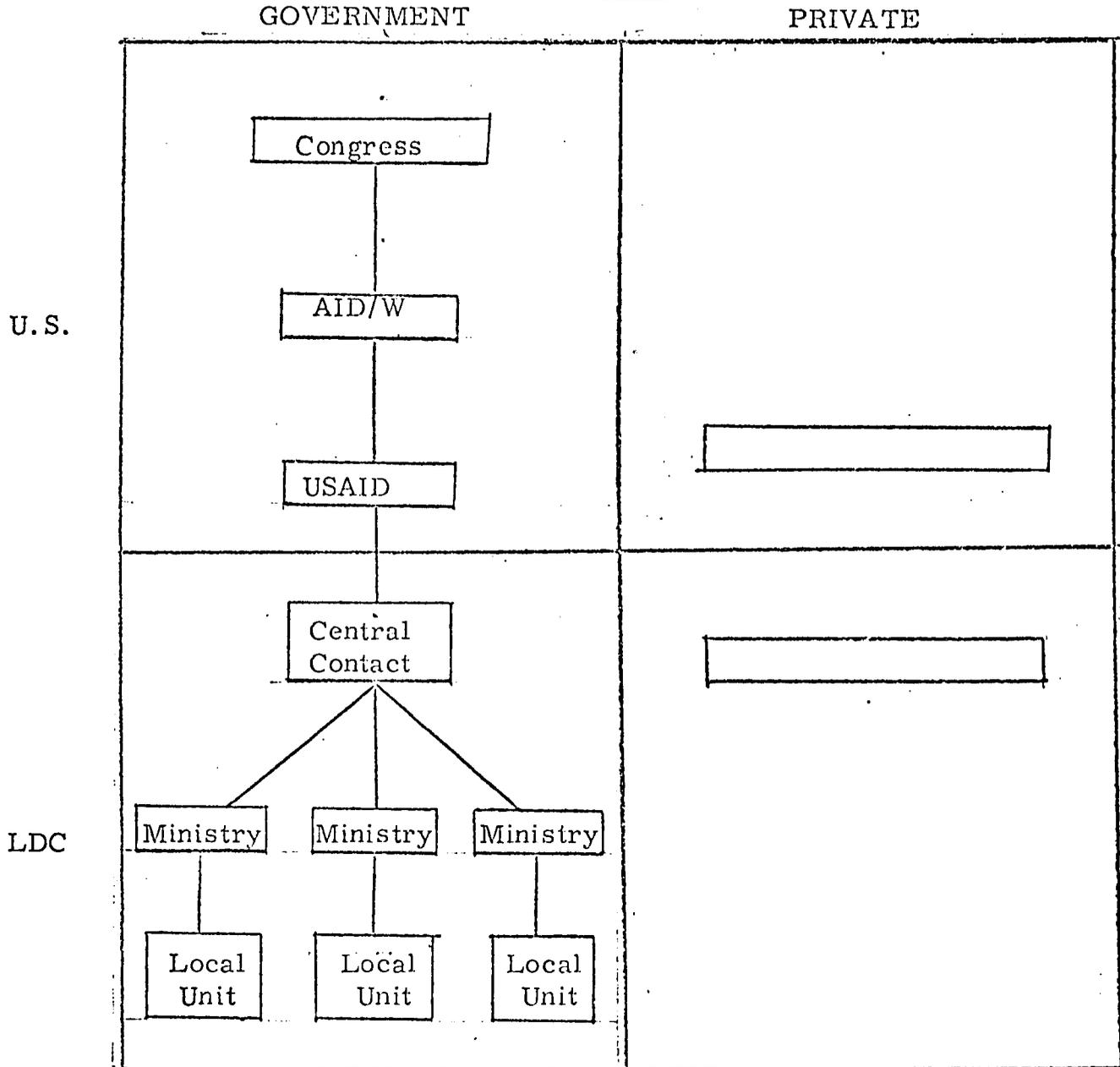
Although this is grossly oversimplified, I believe that it facilitates thinking about the whole range of issues which have been identified so far, particularly if the office of the President and the other elements of the Executive Branch are factored into the USG segment.

The first cluster of questions goes to the range of relevant private institutions.

- "Economic" only?
- Community?
- Eleemosynary (voluntarism in the narrow sense)?
- Overtly "political" (e.g., peasant leagues)?

In sum, what do (or should) we mean in defining the oft-cited AID/USG objective of "pluralistic societies" insofar as that phase is

Figure 1



intended to cover private institutions.

## II. The Governmental Pipeline (Figure 2)

This figure is intended to represent the major way in which A. I. D. thinks and acts about the relationship of its programs to private sector



III. Enter the U. S. Private Sector (or "The Hybrid Governmental Pipeline - Type A") (Figure 3)

In dealing with and working on the governmental environment, A.I.D. has increasingly relied on a wide spectrum of U.S. private contractors, both profit (largely consultant firms rather than "hardware" firms) and non-profit (e. g., Universities, SRI, Battelle, national cooperative organizations, etc.)

Figure 3 shows only one of many configurations currently employed. The solid and dotted lines can and do run in various combinations.

The point is obvious - A.I.D. draws widely on the U.S. private community to implement projects, arrived at through the complex process represented by the government to government pipeline. When strengthening the LDC private sector is the objective of these projects, this is done primarily through affecting the governmental environment. Other projects employing U.S. contractors are germane to other Title IX objectives (e. g., municipal management, education, administrative capacities, etc.).

Conclusion: The A.I.D. - U.S. contractor relationship deserves attention in considering whither and through what means Title IX.

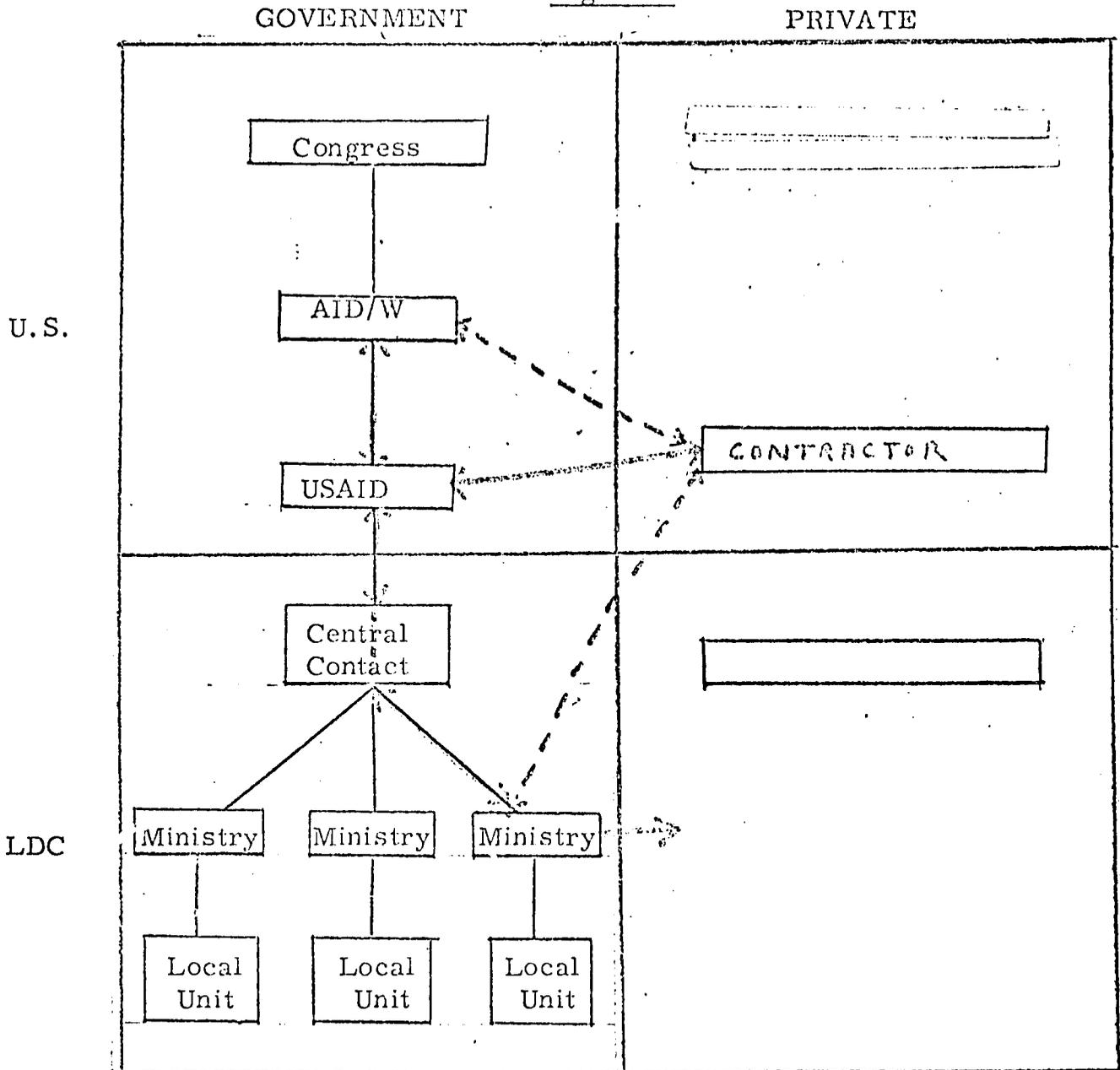
Interim Summary (Invoking Authority)

You are all familiar with Mr. Gaud's March 20, 1968 testimony to the House Foreign Affairs Committee on Institutional Development. You may not know that on March 6, 1968 he testified on "the central role of private resources in the development process." Happily, and not by coincidence, the two statements are complementary.

On March 6 he said:

"We believe successful development requires strong, independent private institutions - business firms, labor unions,

Figure 3



cooperatives, foundations, voluntary groups and the like - and a framework of sound laws and sensible government policies in which such institutions can develop and grow.

These conditions and institutions exist in the U.S. - but do not in the less developed countries. They start the development process without a network of strong, independent private

institutions. They also start without an understanding of the need for government policies which foster growth of the private sector.

To achieve A.I.D.'s development goals, we must build up the role of private institutions in the less developed countries.

...

- We use our technical assistance funds to call on the experience and talents of private U.S. organizations to build up private organizations in the developing countries because American non-government institutions can best do the job.
- We use development loans to make it possible for thousands of farmers and businessmen to buy fertilizer, spare parts, raw materials and capital equipment exported from the U.S. The leverage of our development loans encourages governments to make policy changes necessary to release the energies of the individual."

#### IV. The Hybrid Governmental Pipeline - Type B (Figure 4)

This figure (subject to many variations) represents A.I.D.'s use of U.S. private contractors to carry out projects, defined through the government to government pipeline, with the primary objective of working directly to create or upgrade the capabilities of particular kinds of private institutions rather than working on the LDC governmental environment which either encourages or inhibits the development of those institutions.

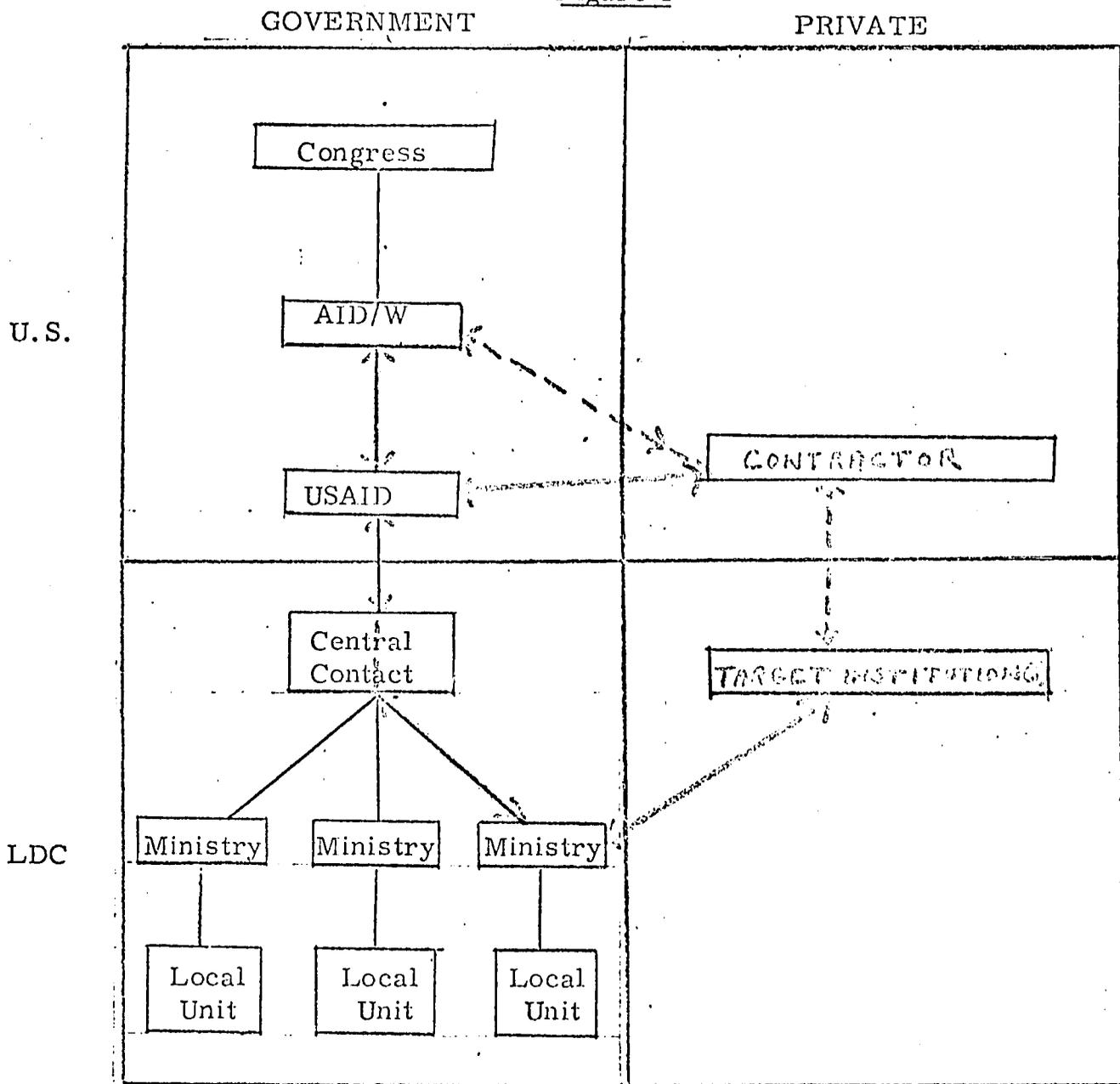
Biased conclusions:

1. From the perspective of development output, this arrangement often leads to:

- murky definition of objectives, frequently perceived differently by the large number of players,
- a parallel confusion of roles in implementation,
- an unacceptable diffusion of responsibility for results.

2. From the perspective of A.I.D. - U.S. private sector relationships the destructive irritants generated under this type of arrangement

Figure 4



outweigh the public support benefits generated from the parallelism of interests involved.

3. The staff resources of AID/W and the USAIDs which go into dealing with the complexities and confusions of this set of relationships would be more effectively spent in concentrating on LDC governmental environment problems and opportunities (using private contractors where appropriate).

V. The Pure Private Sector to Private Sector Pipeline (Figure 5)

This figure represents the self-programmed development activities of U.S. private institutions, both profit (e.g. investor) and non-profit (e.g. voluntary agency). The volume of resources, both capital and human, transferred to the LDCs through this pipeline is substantial and growing. What is relevant to Title IX?

VI. The Hybrid Private Sector to Private Sector Pipeline (Figure 6)

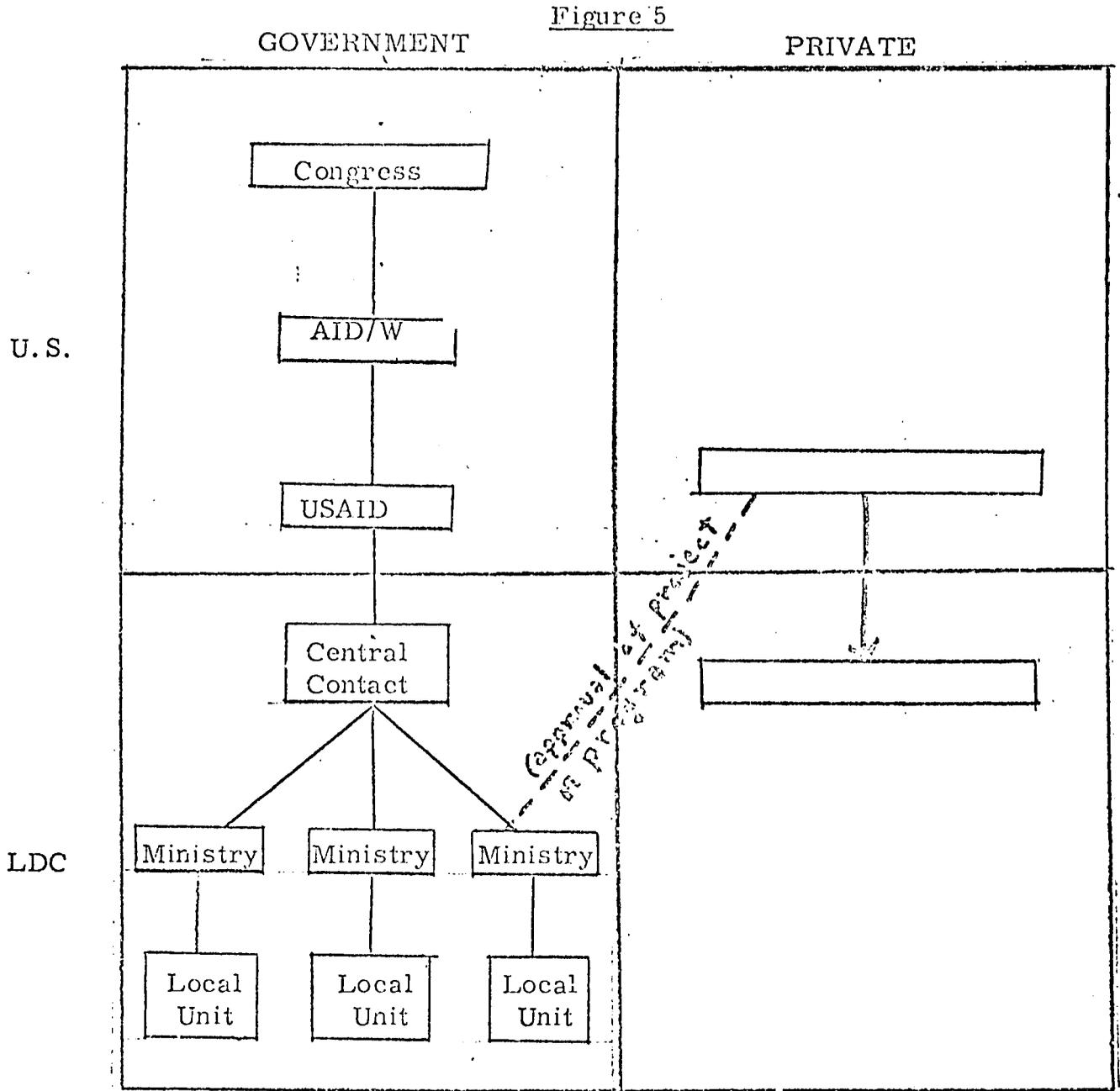
In the previously cited statement to Congress of March 6, 1968, Mr. Gaud also said:

"We use our funds and guaranty authorities to increase the amount of private U.S. investment and privately managed U.S. technical assistance going into the developing countries."

Figure 6 represents the relationships in an investment project. Note that the lines linking U.S. Government and U.S. private can represent support ranging from words through political risk and extended risk guaranties to local currency and/or dollar loans.

Note further that until recently most transactions would have shown a solid line between USAID and the U.S. investor with the dotted lines running to him from AID/W.

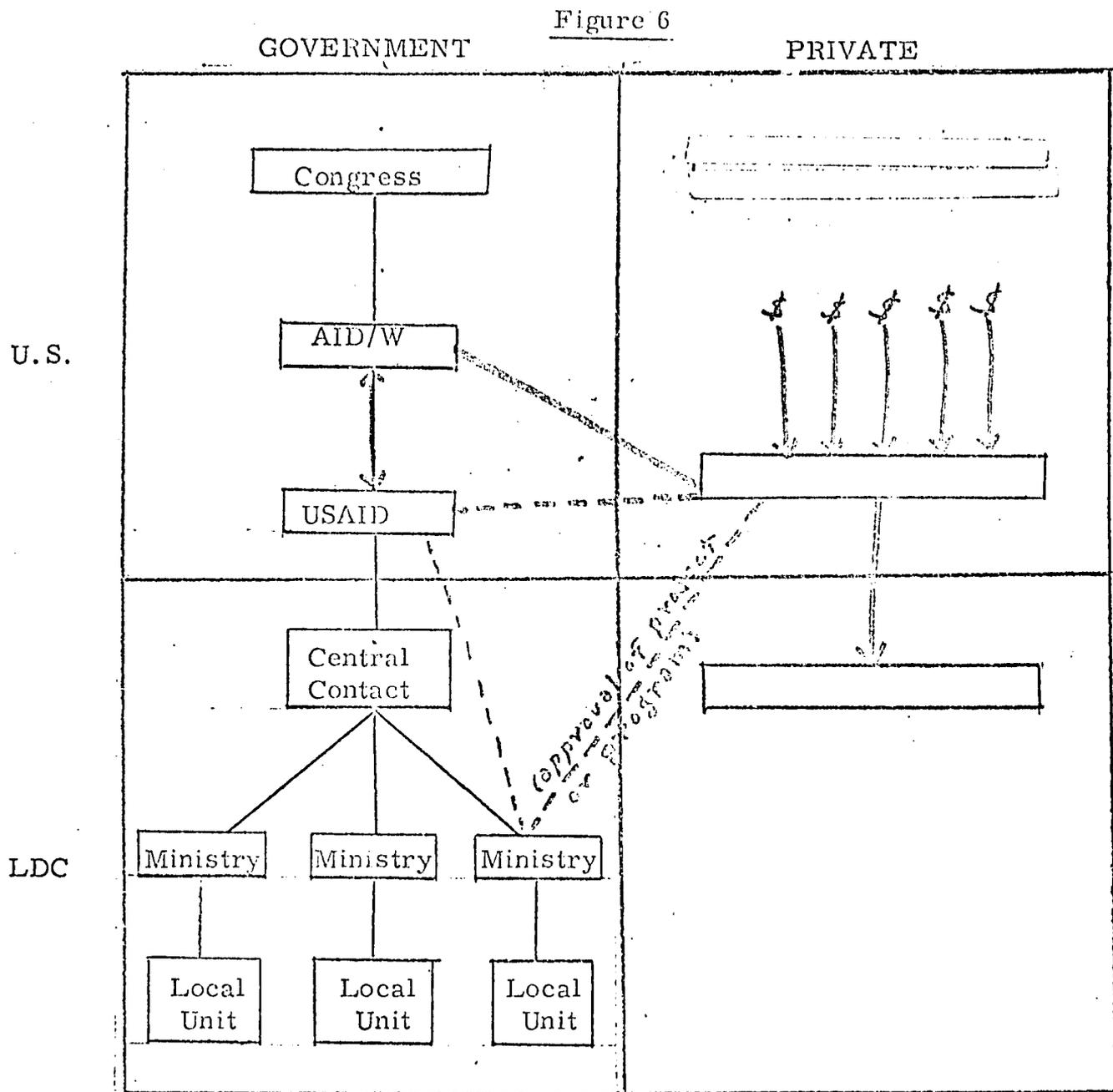
Figure 6 can also represent a range of support by A. I. D. of privately managed technical assistance programs by U. S. non-profit



organizations ranging from words (i.e., data and program suggestions) to partial grant financing. Here, the host government often approves a program rather than a specific project, the dollar signs represent

contributed resources by the constituents of the U.S. organization.

Typically, the LDC private sector segment would show more than one



institution.

Once again from Mr. Gaud's statement of March 6:

"For some time, A. I. D. has used incentives to increase private investment. The same approach makes sense for private

technical assistance. We are expanding the use of incentive grants to provide partial funding of private technical assistance programs. The key to our approach is that, within broad policy limits agreed with A.I.D., the private organization raises substantial funds, uses its own people, selects its projects and carries full responsibility for achieving results."

It should be noted that many (probably most) of these privately managed programs operate in a number of countries. This is the major reason the solid line to them is shown running from AID/W. The principle, however, is applicable to a USAID - U.S. private organization program in a single country.

#### VII. Some Propositions

1. Private institutional development is central to Title IX.
2. An A.I.D. Mission can best encourage private institutional development through consciously influencing, through all its conventional instruments and negotiations, the governmental environment, drawing on U.S. private organizations, profit and non-profit, as appropriate. In a sense, this can be considered as working on and through the governmental structure to affect the private sector.
3. When the objective is (or should be) the complementary one of working directly with the LDC private sector the configuration under which A.I.D. supports privately programmed and managed efforts (Figure 6) is more likely to achieve satisfactory outputs (even though there is a demonstrated loss of control of the inputs). than the contract relationship (Figure 4).

4. This A.I.D. instrument has only recently been articulated in relation to privately managed technical assistance. Much remains to be done in determining the criteria to be used in applying it - i. e., what functional areas; what ratio of public to private resources; how to evaluate; appropriate standards of accountability which nevertheless preserve the independence of judgment, responsibility for results and flexibility of operation which are the values sought after.

5. The potentials of "piggy-backing" grant (or contract) supported technical assistance to build up the institutional structures inevitably associated with any major private investment project are almost wholly unexplored. (Note - Those for whom "systems approach" is an appealing phrase can read it in here.)

6. Removing the private sector to private sector activities from the conventional government to government pipeline (other than the requirement of host government approval of program or project) is a strong plus value in achieving Title IX objectives. That set of objectives relating to strengthening the private institutional fabric of a society is best served. In addition, desired upstream effects on governmental structures are more easily obtained.

7. Ultimately, continuation and expansion of U.S. Government developmental efforts depends on broadening and focussing (vis-a-vis Congress) the sensed involvement of the U.S. private sector. To the

extent that A. I. D. supports privately managed efforts rather than hires U.S. private sector organizations to carry out "government to government" programs, this sense of involvement is more effective.

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Topic: AID Relations with the Private Sector  
Presentation: Gilbert Carter  
Rapporteur: Peter Weitz

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Gilbert Carter began with a quotation from Alan Piper, defining the broad scope of voluntary associations in an open society. Voluntary associations are instrumental in the distribution of power in a society and are one of a number of means for increasing participation and the understanding of participation.

His talk was posed as a question to the conference. "What private institutions are best suited for different developmental purposes?" He hoped that to some extent the conference would be able to come up with some specific answers to this question. The important part of this question to be answered are the types of voluntary associations which should be promoted through U.S. policy amongst the myriad of possible foci?

In order to promote the development of voluntary associations in the LDCs,

- a) the problem of how to give effective aid to these institutions must be faced. He suggested that the dealing with private institutions in the LDC's was very difficult in the present system of direct government to government aid. This system cuts down flexibility and effectiveness. No one has direct responsibility for programs contracted in this fashion.
- b) He suggested that more aid should go directly to private groups, competing for limited funds, and responsible for the development and success or failure of their own programs.
- c) There also should be a greater concern on the part of AID for private sector activity which already exists. Although most of this activity should be left unmolested the government might serve a useful purpose in supporting the programs of some of these activities. It might help with suggestions and with certain forms of cooperation.

It is essential that the U.S. government get away from the implicit concept that it alone can carry out the processes of development. If broader concepts for the allocation of AID resources are developed AID funds might be used more "efficiently" if the private sector could compete with the public sector in the development of programs.

In the U.S. there is a problem that the concept of development is not being sold to "the people." Development must come to be understood as a national project and not just as something as isolated in the government. Emotionally this sort of appeal might be directed towards those with a latent "secularized missionary zeal."

July 9 - Morning Session

Topic: AID Relations with the Private Sector  
Presentation: Gilbert Carter  
Rapporteur: Peter Weitz

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(The parallel with the problems of development in the U.S. cities is quite obvious.)

A number of clarifications and elaborations were made during the discussion period.

1. Obviously the host government control over projects could not be, and should not be, eliminated.
2. Including the private sector more explicitly in development programs would not necessarily lead to a decrease in control and effectiveness in directing change. There are already enormous limits to this which the government does not often make explicit.
3. The problem of phasing out a company which is a client of a powerful politician in the U.S. The already extensive problem of private sector firms being dependent upon the services and advice from the U.S. missions in the LDCs.

The problem of private sector activities which might hurt our bilateral relations with the host governments, which might be solved by educating private businessmen in the problems of dealing with host country bureaucracies.

The problem of accountability or responsibility.

The problem which seems to be emerging in Western Europe, of U.S. corporations threatening to takeover the entire economy of a country. This would discourage LDCs from desiring extensive U.S. private sector activities in their own countries.

To pic: Country Briefings: PHILLIPINES  
Presentation: Calvin Cowles  
Rapporteur: Gary H. Maybarduk

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Mr. Cowles discussed the general feeling of dissatisfaction that many people have because the Filipinos do not behave the way we think they should, mainly like us. He identified a list of areas from which these dissatisfactions come.

1. The traditional and cultural patterns stemming from the extended family which cause a lack of cooperation between groups and the use of public office to enhance wellbeing of extended family is expected.
2. The lack of social awareness of the elite.
3. The growth of nationalism in a sometimes destructive economic form.
4. Highly unequal income distribution
5. A low growth rate that is inadequate to meet expectations and a high birth rate.
6. An under-motivated civil service which is unable to carry out development policy.
7. The decline of morality and law and order.
8. High unemployment and an unskilled labor force.
9. Inadequate schools for development needs.
10. Inadequate legal structure and poor judicial performance.
11. Inadequate infrastructure - roads, power, communications.
12. Over-reliance on U.S.

Mr. Cowles felt, however, that these problems or obstacles are not unique to the Philippines and are present to a greater or larger extent in most, if not all, of the LDC's. He pointed out that:

1. The GNP has been growing at a rate of 5-8 percent.
2. The per capita income is between \$170 and \$225 per capita
3. The extended family system is not unique to the Philippines
4. The democratic process seems firmly established
5. Existence of a free press
6. No serious dissidence at the moment - in his opinion, the Huks have become nothing more than bandits
7. In regards to social factors, he pointed out that literacy is good by any standard, that the standard of medical care is second only to Japan in Asia.

July 5 - Afternoon Session  
Topic: Country Briefings:  
Presentation: PHILIPPINES - Calvin Cowles  
Discussant: Richard Bernhardt  
Rapporteur: Gary Maybarduk  
Presentation: LIBERIA - George Dalton & Eric James  
Rapporteur: Peter Weitz

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Page 2.

Three phases of our program were identified: The postwar reconstruction phase was largely completed by 1952. Phase two gave emphasis to institution building with primary attention given to national agencies of government, education institutions and the training of administrative and technical people to carry out the functions of government. Since 1965 the US-AID program has shifted from the central government to local governments in selected provinces. We have worked directly with selected provincial and local governments and private institutions. Self-help criteria has been stressed as a pre-condition of assistance. The current program is relatively modest in scope. It consists of roughly equal components of technical assistance, PL 480 distribution and some developmental loans.

Mr. Cowles felt that the possibilities for direct leverage in Philippine policies through the modest economic assistance programs are limited. He felt that our developmental efforts had been adversely affected by a proliferation of indigeneous and foreign agencies which almost preclude prediction and coordination of results and efforts. Nevertheless, our degree of influence is far larger than is indicated by the overall aid flow. This is due to the "special relationships" that exist between the Philippines and the U.S. The rise of the new generation, however, will result in a weakening of these relationships and consequently, our influence.

Discussant: Richard Bernhardt: In discussing Mr. Cowles' presentation, Mr. Bernhardt re-emphasized the disservice we have done to the Filipinos' attempts to find their own identity by our constant comparisons between the Philippines and the U.S. It was felt that the U.S. had tried to get by cheaply in the Philippines and as a result has misused many of the resources that could have been directed toward development.

Mr. Bernhardt also discussed the community development program started by Magsaysay as one of the tools to help fight the Huk rebellion. He pointed out that one of the reasons for the program's success was that many of the people in key positions were able to identify the program's performance with the establishment of their own powerbase. The program's goal was to help build local government on the varrio, municipal and provincial level.

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Topic: Country Briefings:  
Presentation: PHILIPPINES - Calvin Cowles  
Discussant: Richard Bernhardt  
Rapporteur: Gary Maybarduk  
Presentation: LIBERIA - George Dalton & Eric James  
Rapporteur: Peter Weitz

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In initiating the program the national development agency first educated the villagers on the purposes and methods of election. This was followed by the election itself and then a second series of educational seminars directed towards improving the effectiveness of the local government. Eventually the political parties became aware of the affairs at the local levels and attempted to identify themselves with the local programs. In regards long-term accomplishments, Mr. Bernhardt felt the program has given the villagers practice with democratic institutions. He also felt that the research council associated with the program has helped develop a research capability of the Filipinos in Philippine problems.

Discussion: In a discussion it was asked if we might not be looking at the wrong indicators? In this regard, a list of indicators of poor performance in the Philippines was brought forth:

1. Its poor economic performance
2. The public awareness of corruption
3. Poverty beside great wealth
4. Rising Huk activity
5. Rise of violence
6. A disgusted and apathetic rising younger generation

In reply, it was suggested that we have expected too much from the Philippines and that these negative factors must be combined with the encouraging ones and a comparison with other Asian countries. In addition, it was pointed out that there was no articulate opposition to the present system, its problems and its corruption.

The discussion then shifted to the question of whether or not our aid programs in the Philippines had not always been of a Title IX nature. In this regard, several issues were raised.

1. What is the interaction between traditional culture and US influences?
2. What are the links between economic and political development?
3. How does one protect our long-range interests when our resource transfers are limited?

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George Dalton described the history of Liberia, with specific reference to political and economic factors. Eric James commented on these factors, reinforcing some of Dalton's observations, and drew some policy conclusions for the United States.

Liberia was established in the 1840's with protection and encouragement from the US, this did not, however, put Liberia in a directly colonial relationship with the U.S. In fact, the US did not do any extensive building of infrastructure in Liberia until over 100 years after Liberian independence.

Prior to 1943, there was very little economic activity in Liberia. Only since this time has the rich resource base been limited to iron ore mining, and the growing of rubber, cocoa, and coffee. There are about a dozen major foreign firms that are carrying out most of this activity; since 1943, there has been a virtually completely open door to foreign economic activity, with very few limitations and restrictions. 40% of government revenues are derived from two of these firms alone. Over two-thirds of the population derives the major part of its livelihood from subsistence agriculture.

Despite the rich resource base and low population density, there has been little economic development in Liberia. It is characterized as a country where there is growth, but no development. The government does little to encourage or support business or agricultural development. Whatever wealth is derived from those resources being exploited remains in the hands of a very small proportion of the total population, the Americo-Liberians.

This is partly explicable by looking at the political situation. There is only one, very extended, political organization or faction in the country, that of the Americo-Liberians, the descendants of American slaves that came to Liberia in the 1830's and 40's. Although the structure of government is formally similar to that in the U.S., there is no dispersal and balancing of power. Since 1943, the system has been controlled by the man who is still the "elected" president. Opposition or dissent is not allowed; this is reinforced by severe sanctions imposed on whole families, not merely on individuals who voice dissent. All formally separate institutions in the country are, in fact, interlocking, with each dominated by the same controlling elite.

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In the eyes of the world, the U.S. is responsible for Liberia. In fact, Liberia acts quite independently, feeling itself to be a privileged and special position vis a vis the U.S. The question or problem for the U.S. is how to induce or support change in the system without being chucked out of the country. Opposition to the Tubman regime is latent in the Americo elite. Although the relationships of the fourteen tribes in Liberia are relatively peaceful, they are completely excluded from power in the country and might in the future represent a powerful force against the Americos. As the U.S. is closely associated with the current regime, it would probably find itself in a very weak position if the regime were replaced.

Eric James suggested that the forms of technical assistance normally used by the U.S. had failed in Liberia. Therefore the U.S. should try a third form of assistance, similar to that used by the French, whereby U.S. personnel simply took over the running of institutions in Liberia. Particularly in the school systems, this might have the best long term effect on Liberian development.

Eric James also concluded that if the U.S. is to preserve its strategic position in Liberia it must follow a course somehow combining the following elements, in order to promote political change:

- a) encourage anti-system activity, which might easily backfire.
- b) support the younger, second level elites, who seem to show signs of real interest in the development of Liberia. They may in time have power in the existing government.
- c) support a completely new elite through training and money
- d) manipulate the present leaders to induce change through the leverage of foreign assistance.

The present situation is intolerable because there is no economic development and if there is an overthrow of the government, the U.S. will probably be thrown out of the country.

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Rapporteur: Peter Weitz

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Eric James suggested that it is possible that the U.S. might rethink its focus of technical assistance, in its many forms. He felt that the cooperative (counterpart) type has had very limited success in Liberia and that in the interest of sustained growth the type which provides technical specialists to do the job of development of skills and personnel without regard to counterparts might be more productive and effective. Where the institution-building type is attempted, it would appear that there should be some predictive evidence that the physical and human resources of the country can support and sustain it. He felt that technical assistance to Liberia in the future should always take into account the ability of the country to sustain it on a continuing basis.

Liberia, in his view falls into a special category, politically, as are so many other African countries. As George Dalton pointed out, while Liberia's written Constitution has been conceived on the model of the U.S. Constitution, there is a great variance in practice. Much can be done in the interest of broadening the base for popular participation. U.S. policy is determined, among other things on the strategic importance of Liberia to its national interests. It could appear as if the existence of a political system in Liberia, compatible to these interests and in addition, encouraging popular participation among all areas of the community in political, social and economic activities is to its advantage. This would ease possible future tensions which would not be in U.S. interests. This will be particularly crucial at the time of Presidential and other leadership succession.

Donor Lion  
Ref: Functional  
Categories  
4 July 1968

Minimum, Mechanistic, Title IX Checklist

It might be useful to have a checklist of items explicitly covered in the Title IX Amendment and in other relevant Congressional language. Very likely, Mr. Gaud would, in our report, appreciate pertinent treatment of (at least) those matters to which the Congress has directed his (AID's) attention.

The following selected language is, of course, less than comprehensive and is not systematically organized.

1. Selected Language, Title IX Amendment

Inservice training...(related to)...political and social aspects of development

Maximum participation in the task of economic development

Encouragement of democratic private and local government institutions

Use the intellectual resources of (developing) countries

Support civic education and training in skills required for effective participation in governmental and political processes essential to self-government

Research...emphasis...to political, social and related obstacles to development

Research...(related to)...democratic, social and political trends in recipient countries

Emphasis...to...evaluation of past and current programs

2. Selected Language, House Report 1651

Close relationship between popular participation in the process of development and the effectiveness of this process

Economic and technical assistance (should) stimulate local programs of self-help and mutual cooperation through...loans to small farmers,...cooperatives, labor unions, savings and loan-type institutions; utilization of voluntary agencies; integrated programs of community development

(Less than full mobilization of) human resources in the task of development (is a) brake on economic growth...and...does little to cure the basic causes of social and political instability which pose a constant threat to (economic gains)

(The goal of popular participation) in development can best be achieved through the fostering of cooperatives, labor unions, trade and related association, community action groups, and other organizations which provide the training ground for leadership and democratic processes

EXCERPTS FROM THE TESTIMONY OF  
HON. WILLIAM S. GAUD, ADMINISTRATOR  
AGENCY FOR INTERNATIONAL DEVELOPMENT

Before the House Foreign Affairs Committee, March 20, 1968

STATEMENT OF MR. GAUD

Mr. Chairman, I am here today to discuss the basic point of A.I.D.'s programs - people.

Over the years, our foreign aid programs have brought substantial benefits to people in the less developed world. Our programs in agriculture and PL 480 food shipments have given millions more to eat. Health programs have helped cut back the toll of disease. Our programs in education have helped people learn to read and write. A.I.D. support for economic development has made possible a higher standard of living for millions of people.

These results are important, but they are not the main point. We expect our aid programs to do a lot more than just benefit individuals. If they are to accomplish their ultimate objective, they must also build people's desire and ability to do things for themselves, and involve them in the development process.

It is this which distinguishes the A.I.D. program from charity, and it is this which we must constantly keep in mind as we design and carry out our programs.

As we see it, this objective cannot be accomplished without --

Changing individual motivation and attitudes, and developing leadership dedicated to progress;

Building indigenous institutions which will involve increasing numbers of people in the development process;

Encouraging government policies and attitudes favorable to popular participation and the growth of democratic institutions.

These three elements must be addressed in a specific country context. Our programs must be tailored to the particular needs, problems and opportunities of a specific country at a specific time.

PUTTING TITLE IX TO WORK

Title IX is an important stimulus to our efforts to get more people involved in the development process. ~~It~~ It is moving us from reliance on instinct and experience to more explicit consideration of the problems and opportunities we have to deal with.

In our view, the objectives of Title IX must be at the core of our development assistance. We have not tried to design a specific package of projects labeled Title IX. Instead we are trying to build Title IX objectives into the design and implementation process of the A.I.D. program. We want Title IX considerations to be weighed --

- When we decide on the overall composition of a country program;
- When we prescribe the negotiating instructions for a program or an agriculture sector loan;
- When we decide on a particular capital assistance project;
- When we undertake and evaluate technical assistance activities;
- When we support the development efforts of private institutions ...

Mr. Chairman, A.I.D. programs are helping developing nations achieve impressive progress in social and political -- as well as economic -- development. But we are a long way from knowing -- and doing -- enough in this area. We need to learn more about the process of social and political development. We need to do more to make sure that the people who plan and operate our programs can and do consider their social and political development impact. We need to learn more about how to evaluate programs and transfer what we learn from one place to another...

#### TESTIMONY OF MR. GAUD

Mr. Gaud. We normally talk about the A.I.D. program in terms of economic development. And, of course, economic development is a very important and key objective of the A.I.D. program. But economic development alone is not enough for the developing countries to achieve their ultimate objectives.

They also, almost all of them, need social and political development as well as economic development. And many of the things that we do in the Agency are directed toward helping these countries achieve constructive social and political change.

The two most important ingredients, it seems to us, in their doing this, are: First, accomplishing what you might call popular participation in development, getting as many people as possible into the act; and, second, developing leadership -- effective leadership that is dedicated to change and progress.

Many of our programs have an indirect, if not a direct, impetus in these directions. Our training programs, for example, conducted both here and in the host countries themselves. Or the many programs that we have that are directed toward building institutions in the developing countries, which will encourage popular participation and which will give leaders an opportunity to develop.

These institutions are both governmental and nongovernmental -- cooperatives, labor unions, private enterprises in the business field -- all

kinds of institutions which will encourage leadership and which will give people an opportunity to involve themselves in their own problems.

And then, also, we do what we can to improve the climate, the governmental climate, in these countries, to enable these institutions to develop. We try to do this by improving the framework of local laws and regulations which will encourage local programs, defining sound programs of agrarian reform, improving the tax structure, building a better base for investment. The purpose of the host of activities we engage in is to improve the climate so that political and social development can take place.

Ever since the enactment of the Foreign Assistance Act, this committee has been the leader in this field. There have been a number of changes made in the Foreign Assistance Act at the instigation of this committee which have emphasized the importance of social and political development. The most recent of these, of course, is Title IX; and Title IX, as we see it, directs us to take these considerations into account, at all times, when we go about our business.

To be effective under Title IX, to carry out its objectives as I see it we have to keep in mind social and political as well as economic objectives -- when we decide on the overall composition of a country program, when we work out the negotiating instructions for a program loan, or an agricultural sector loan, or an educational sector loan, when we decide on a particular capital assistance project, when we undertake and evaluate our technical assistance activities, when we support the development efforts of private institutions. All the way down the line, it seems to me that we should be looking at what we're doing with an eye to the effect that our activities will have on social and political development as well as on economic development.

Since the enactment of Title IX, we have been increasing our efforts in this direction, training our own people in training programs and orientation programs. We have directed all of our missions, for example, when they submit their annual country programs, to include analyses of what they are doing about Title IX, what the opportunities are in the particular country, how they propose to go about increasing the opportunity for social and political development.

This is a process which will take place only gradually. We cannot transform these things overnight -- our own attitudes or the attitudes of the countries that we are working in.

We also feel very strongly in A.I.D. that we need more research in this field to be effective. We in the United States know very little about how to achieve social and political development. I have approved a grant to the Fletcher School of Law and Diplomacy of Tufts University within the last month, an institutional grant under section 211(d), to provide some \$700,000 over a 5-year period for research and training. It will give us a place to send our people for training in this field.

It is the first of what I hope will be a number of other projects of this sort, which will enable us to draw on the university community to help us analyze this business of social and political development and increase our capability in that field.

Mr. Chairman, I don't think I have anything else to say. We might go right to questions, if it is agreeable to you.

Chairman Morgan... Most people would agree that the future of the developing countries will depend more on changes in the attitudes of their people, and in their institutions than on the amount of capital we provide; nevertheless, there is a real question as to whether you attain such objectives by direct action, or whether these things come about as a by-product of what is done for other purposes.

How many governments of the less developed countries which receive our aid would welcome a program aimed at changing the attitudes of their people or their institutions?

Mr. Gaud. Some would and some would not...

It is pretty much a matter of feeling your way in the individual country, Mr. Chairman, as to how much you can do...

Chairman Morgan. Mr. Gaud, there are many people who regard it as improper for the CIA to try to influence political attitudes and institutions.

Do you think then it is all right for A.I.D. to tamper with the attitudes of people and the institutions of other nations, when the governments might not approve what they are doing or trying to do?

Mr. Gaud. Well, I think that what we are doing is very different from what the CIA is doing. We are working in the open. We are working with the people. We don't carry on, of course, any projects in these countries without the knowledge and consent and the approval, and indeed the support of the government itself. What we are doing, really, is building institutions rather than trying to achieve specific political results in a given case.

As long as we work with the support of the government, as long as we work in the open, and as long as our objective is to get people in the country to participate in the solution of their problems, I would not suppose we would have any difficulties.

Now of course, there are some countries where our cooperation in these matters is not welcome, and where we can't do anything. In some countries, not even our aid to education has been welcome. The government has taken the position that it wants to take care of its own education. They don't want any help from the outside. We can run into the same thing in terms of this institution building that we are talking about.

Another way in which you might distinguish what we are doing from what the CIA is doing is that we are working toward long-term goals, toward

toward long-term development. We are not trying to achieve quick results in specific political situations...

Mr. Murphy. I would like to ask you a question relative to what the chairman asked you.

I note on page 10 (of your statement) you state: "A number of A.I.D. activities address the need for decentralization of government authority."...

Now what effect would this action have on the Federal Government of the Dominican Republic if you bypass the Central Government and you go to the municipalities in the Dominican Republic?

Mr. Gaud. Well, we are not bypassing the Government of the Dominican Republic here, Mr. Murphy. We are working with them. They are in agreement with this policy. They feel that their Government will be stronger, their ties with the people will be stronger, if the people handle some of their own local problems.

Under the Trujillo government, all power was concentrated in the center to a degree far beyond anything that we know here in the United States. The people of the Dominican Republic had very little opportunity to handle their own affairs or to deal with their own problems. The present Government in the Dominican Republic is completely in sympathy with this particular program...

Mr. Gross. You said this morning that we know very little about social and political development... How much more do you anticipate we are going to have to spend by way of contracts on the universities and colleges of this country, to tell us about social and economic development?...

Mr. Gaud. I don't know, Mr. Gross... I don't think that anybody in the world knows very much about how to accelerate social and economic development. I don't think we know very much about how to achieve in a matter of 10 years, 20 years, 30 years, what it has taken most of us two, three, four, or five times that long to do.

I would hope that we will continue to do some research in this field, and that when good opportunities for research arise, I hope we will be able to take advantage of them. The total amount that we spend on this is very small in comparison to the total amount of the A.I.D. program. Our central research budget has been limited by the Congress each year to between \$6 to \$10 million a year. It has varied. Most of that research is in the fields of agriculture and health. Relatively little goes in the field of the social sciences or the political sciences...

Mr. Monagan. Do you have a figure for the financing of Title IX? Is that separated or segregated?

Mr. Gaud. No, sir.

Mr. Monagan. Is it possible to do that?

Mr. Gaud. No, sir, it is not. As I see it and as I said in my opening statement, I think that what we are driving at above everything else is to develop an attitude or a frame of mind... And there are relatively few projects which I would characterize as being exclusively Title IX projects. Now if we sat down to decide how many of our projects had a Title IX complexion, or a Title IX attitude, I think no two people would agree on a list. I don't think I could give you any sensible figure as to how much money we are spending on Title IX activities...

Mr. Monagan. Mr. Gaud, would it be fair in rationalizing the basis of this building of institutions to compare it somewhat to the domestic problem that we have in the ghettos; that is, that we want to create social institutions that will strengthen the social fabric of those areas.

Mr. Gaud. Yes, sir, I think that is a good analogy...

Mr. Monagan. This is a philosophical question, but that is what we are dealing with when we talk about carrying out the programs that in the language of section 281 are carried out through the encouragement of democratic, private and local governmental institutions.

How do you go about developing this, knowing that there are programs that would be controversial in many countries?...

When you speak of democratic institutions -- and you have spoken of Taiwan -- it is pretty far from the Vermont town meeting there, isn't it?

Mr. Gaud. Yes; you and I might not recognize it back in Connecticut, but again, we come to the proposition that you have to take these countries as you find them. But you have to adapt. We certainly cannot simply transfer our institutions to these countries. You have got to try to help each country develop institutions which are peculiar to it, which will do the job in that particular environment; in that particular climate of opinion. It is a very slow process...

Mr. Fraser. I want to repeat what I have had occasion to say in the past, and that is, that of the written material that I have read from your Agency with respect to Title IX, I am very much impressed with the communications that I have had a chance to look at that have gone out to the missions, which have attempted to put some flesh and some substance on the legislative intent, the language of Title IX.

When Mr. Lee was before our committee yesterday, I pressed him at some length on the problem of in-service training, operationally -- well, I guess I did not touch on operationally oriented research, but that is obviously an element, and the problem generally of trying to create these wider horizons and wider perspectives.

Is there anything the Congress could do or might do to make it easier for the Agency -- to make it more feasible for the Agency -- to increase the amount of training, orientation, education, all of which I think are

a key, not only to the Title IX element, but to the whole problem of trying to build on the wide diversity of experience that A.I.D. is gaining every day?

Mr. Gaud. Well, yes. What we really come down to here, it seems to me, Mr. Fraser, is money. Two things that bear directly on this -- one was the reduction last year in our administrative expenses. The other was the cut in our technical assistance funds, which makes it impossible for us to do as much as we would like under section 211(d)...

In connection with Title IX, one of the purposes of making funds available to Tufts under section 211(d) is to build up the capabilities of that institution so that it can provide us not only with people, but with training.

I think these are the two crucial points here: more money for administrative expenses, so that we can afford to release more of our promising young men to give them training; and the other, more grants under section 211(d) to build up the capability of institutions in this country to do the necessary training.

Mr. Fraser. I have been impressed with what I have been able to learn of the orientation training, the school in Hawaii. There are, of course, unique problems in Southeastern Asia which have made the unique training offered there especially important, but it would seem desirable that this kind of center be established for each of the major regions... I have the impression that... the more money you can put into the education and operationally oriented research, orientation and in-service training, the more rapidly everybody concerned becomes able to deal conceptually with these very difficult problems of development.

Mr. Gaud. I agree with you. I am very well satisfied with the orientation that people get who come into the Agency. I think we a reasonably good job on that. I am not nearly as well satisfied -- in fact, I would not say that I was satisfied at all -- with the amount of in-service training that we are able to give. We do relatively little of this, and I am sure that it would improve our operations if we could do more of it.

Mr. Fraser. As you know, in Title IX, the thing that has distressed me is that while there is an enormous amount of research on political development in the academic community, the amount that is operationally oriented is almost zero.

Mr. Gaud. Correct.

Mr. Fraser. And I would judge in the nature of things that your Agency will have to take the lead in bridging that gap...

Mr. Gaud. Yes.

Mr. Fraser. So from your point of view, this all centers on money under 211(d) and under administration?

Mr. Gaud. Those are the two crucial points, as I see it; yes, sir.

Mr. Fraser. Well, I hope we can give you the support that you need in those areas.

Mr. Rosenthal. ... As you know, we spent 8 days in Brazil, 3 or 4 weeks ago... I spent considerable time during the 7 days of hearings that we held discussing Title IX. Let me read to you a letter that I received -- it is a personal letter, but I don't think it private -- from the A.I.D. legal officer in Brazil. It begins this way:

I was disturbed by the fuzzy and frustrating discussion of Title IX at the hearing last Tuesday here in Rio. It occurred to me then that the primary reason for the unsatisfactory interchange was that the questions you asked... were premised on a different understanding of the Title than that shared by the witnesses. I think the record will probably demonstrate a curious case of non-communication with many articulate people speaking past one another. Upon reflection, this does not really surprise me.

And then the important sentence: "Title IX is conceptually elusive."

In other words, the conclusion that I came to after spending 3 or 4 very frustrating days discussing this thing is that nobody really understood what it meant.

The statute does bear the word "shall," which in my legal experience, I interpreted as a direction that somebody should do it forthwith, and mandatorily. I gathered that most of the people, at least in Brazil, because it was so "conceptually elusive," almost gave up on initiating any new programs. What they tried to do, according to the hearing we held, was to stretch existing programs, and their interpretation of existing programs, into meeting the mandatory "shall" of Title IX. I think it is just a human inability to understand what the authors of Title IX, Mr. Fraser and Mr. Morse, meant. Some of that inability is because the gentlemen who administer the A.I.D. program are probably not political animals, and have had less people-to-people institutional relationship than politicians, who I suspect understand Title IX more readily.

Congress intended that either new programs conforming to the spirit and intent of Title IX be initiated, or that old programs be altered or changed to meet the spirit and intent of the Title IX. I sensed that the mission in Brazil, with the best of intentions, simply did not do this. Perhaps it was because Washington did not give appropriate directions, but there was no meaningful impact. The mission has not really done what I hoped they could have done, in a country where institution building is probably the most necessary thing in their development.

Mr. Gaud. ... I quite agree with you, that it is a tough job to get people in 60 countries, all around the world, to understand what we are talking about here. We have been working on it, we have sent a lot of material to the field.

We are working hard on trying to get this across. It is a rather difficult concept to grasp, I think, particularly for people who have been concentrating on economic development -- agriculturists, economists, health types, labor types, whatever you like. And as I said earlier, it is a question of trying to inculcate in all of our people an attitude, a frame of mind, an outlook, which will lead them to program with the objectives of Title IX in mind.

It does not seem to me, frankly, that it makes much difference whether you are starting new projects or whether you are working with old projects. The question is whether those projects are going to achieve these particular objectives. I am sure that there are many of us in A.I.D. who are not yet clear on just what it is we are trying to do...

Mr. Rosenthal. How can Title IX be put into effect anywhere? How can institution building be effected, without some kind of intrusion on existing institutions?

Mr. Gaud. Intrusion on existing institutions, yes. But in some countries, you can work at it more directly than others. In some countries, you may be working with the government in an effort to create local governmental institutions, directly, such as we are doing in northeast Thailand.

In other countries, you may have to go at this in a much more indirect way and not tackle the problem of building governmental institutions directly. Instead, you have to work at creating private institutions, cooperatives, labor unions, other institutions of this sort, rural credit institutions, which will ultimately have the same effect -- social and political change.

The difference, it seems to me, is how directly you can tackle this problem in different countries, at different times...

Mr. Rosenthal. Mr. Gaud, would you say that our youngsters who work in the Peace Corps have been more responsive and understanding of institution building than have your A.I.D. people?

Mr. Gaud. I don't know. Perhaps I should not try to answer that, because I don't really know their programs enough. But it is my impression that many of their programs deal more with individual people than with building institutions... Whether a job was being done by A.I.D. or by the Peace Corps or by anyone else, I would ask the question, whether you are simply building a worthwhile project or whether you are building an institution which is going to be able to repeat that project.

The classic example of this which I like to cite is a contrast between Yemen and Turkey. The Chinese went into Yemen and they built a road, and it was probably a darned good road, but they used Chinese coolies to build it, and they used Chinese engineers to design it. They walked away and they left the road to Yemen, and the Yemeni did not have the faintest idea what to do with it when the floods came and the road started to wash away.

Now, in contrast to that, when we went into Turkey some years back, one of the main needs of the Turkish was a highway system. Not only did we provide a highway system, we also provided them a highway department, and we trained people to build roads, to maintain roads, to maintain the equipment that you use to build roads, and all the rest of it. When we left the road-building business in Turkey, we left behind one of the best public highway departments in the entire world.

That is what I call building an institution. Merely digging a ditch or building a school or digging a well is not institution building; it is not community development. It helps the community, but it is not community development.

Mr. Culver. Mr. Gaud, on a more grand scale with regard to Title IX, potentials, at least, I would like to direct your attention, if I may, to paragraph 2 of Title IX, which reads --

Use the intellectual resources of such countries and areas in conjunction with assistance provided under this act, so as to encourage the development of indigenous institutions that meet their particular requirements for sustaining economic and social progress.

I happen to be the author of this language in the legislation last year, and I wish to add my words of commendation to those expressed by Mr. Fraser for your very genuine and sincere efforts to implement this difficult section of the bill.

But with regard to this particular part of Title IX, my intent here at least was to see if we could not create an opportunity in some of these recipient nations whereby they would have the chance to apply the intellectual resources of their own nation to the tailoring of political institutions which would be more suitable to their own local requirements.

For example, in places like Africa, where we see the development of so many newly formed emerging nations, who are understandably forced under the circumstances to inherit a political system which may have been desirable in terms of the administration of a colonial empire but has very little relevancy or applicability arguably to the political needs in their own environment to build a new nation... And I was wondering whether or not you feel -- admittedly, there are great political problems involved in this type of activity -- but I wonder whether or not you think it is at all feasible, or possible, or indeed, even desirable, to give some serious assistance to the establishment of centers for the study of institutions by those countries?

I think our assistance would be minimal, other than providing them the opportunity to get together, and bringing about such a forum whereby they can, in a very tough minded way, address themselves to what they really do need on a larger scale than this local emphasis in Title IX, which has understandably been primarily the attention to date.

Mr. Gaud. It is a very interesting idea. You would certainly like to generate more thinking in these countries about this problem, and how to go about it. It is a little hard for me to get my hands on how you would do it. In some of the more sophisticated of the developing countries, I don't see why this would not be possible. If you have got any, or if you can develop any specific ideas on this, Mr. Culver, I would certainly be very glad to have them.

Mr. Culver. It seems to me that if we could do no more than provide the economic help to bring together, for example, African intellectuals, scholars, lawyers, or whatever, to spend some time in a serious way in this type of endeavor, focusing on the indigenous potential and problems that they must meet, in a responsible way...

Mr. Gaud. Yes. I think there has been very little conscious thought given to this sort of thing in the A.I.D. program over the years. The emphasis has been so much on economic development, the program has been so much in the hands of economists, that there has really been very little real serious study given to this aspect of it.

As a matter of fact, Mr. Chairman, the main reason for my asking you in the first instance that we schedule a meeting on this subject in the course of the hearings, was because we feel that our efforts in this area are inadequate. This committee is obviously interested in this area, and my hope was that by having a meeting of this sort this morning we might generate some discussion and some ideas that would be useful.

It is an aspect of the A.I.D. program which needs to be emphasized more than it has been...

Mr. Zablocki. In order to get a better picture as to just where the emphasis and the thrust in A.I.D. programs is, I am sure you can supply for the committee what portion of A.I.D. funds goes for the construction of infrastructure and other large projects in excess of \$1 million each and compare these projects with the funds spent to advance Title IX objectives.

This could be made available to the committee, could it not?

Mr. Gaud. Well it would be pretty misleading. I would not really know how to. I don't think I could give you any very good figures on it. As I said earlier -- perhaps it was before you came in, I don't recall -- we spend only a small amount of funds directly and solely on Title IX activities. There are a great many things that we do -- for example, the projects that I cited in my statement -- which have a Title IX thrust.

For example, if you were trying to come up with a statement of the money which we are spending on Title IX, would you include a program in the Philippines which is ostensibly directed toward increasing agricultural production, but which results in the growth of a great many local institutions? Would you include a program in East Pakistan which is ostensibly directed toward increasing rice production, but which in fact

resulted in the formation of development committees, working on a wide variety of local problems?

There are a whole host of things that we are doing which have a Title IX result, and are intended to have a Title IX result, but it would be a little hard to say that these are funds that we are spending in support of Title IX.

Mr. Zablocki. I see what you are getting at, Mr. Gaud. We commend you for the interest you are showing in this area, interest that has been lacking in the past.

What we want now is to see some tangible comparative --

Mr. Gaud. Yes, I sympathize with your aim, but I am just not sure that I can satisfy it. I don't really think that this is something that you can measure in terms of dollars, because there is not a neat, compact group of projects which you can say are Title IX projects, and therefore, this is the amount of money we are spending on Title IX. I think it would be misleading if we took the very few that could be so described and say: "This represents what we are doing to put Title IX across."...

Mr. O'Hara. I have been interested in your comments on Title IX. What does Title IX mean? Am I correct in concluding that you are spending \$700,000 for some American university to find out exactly what it does mean?

Mr. Gaud. No; I would not describe it that way, Mr. O'Hara. To me, Title IX means that in carrying out our programs under the Foreign Assistance Act, we should do our best to encourage social and political development as well as economic development. We should do everything we can to foster and encourage the growth of democratic, private, and governmental institutions in the developing countries.

Now the question is, how do we do that? What is the best way to do it? What is the most effective way to do it? What kind of programs should we have? And we are making this grant to Tufts to help us answer these questions.

We are not asking them what Title IX means. We are asking them how we can best achieve the objectives of Title IX. What should we be doing that we are not doing? What kind of programs should we be carrying on that we are not carrying on?

We also, sir, are making this grant to Tufts because we want them to be able to train some of our people in this area. We want them to develop people who will be trained in political and social development, who we can use in our own program. It is a matter of trying to increase our capability to act in this field...

I feel very strongly that we do not know very much about how to promote social and political development in these countries. I think that more can be learned about that than we know today. Therefore, in addition to carrying on programs in the field, I think that we ought to do some research in it to see if we can't get some advice from political scientists and other social scientists as to how we can achieve our objectives more effectively...

July 12, 1968

JULY 12 - Morning Session

Topic: The Role of Information Programs and  
Communication in the Development Process

Presentation: Messrs. Hawson Ryan & Hunt Damon of U.S.I.A.  
Rapporteur: Claudia Moyne

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In contrast to AFD, USIA has a rather loose operating framework. There are few legal restraints and requirements on USIA, but, of course, USIA does operate within a general congressional intent. The general mandate imposed on USIA operations is that they are to support U.S. foreign policy objectives. Since the early 1950s, when USIA programs focused on the cold war, the role of USIA has changed a great deal. There is more understanding now of the two way nature of communications. As a result, USIA now performs two basic roles: a staff role as the counselor on foreign public opinion and a line role as the advertiser of the U.S. Although USIA plays only a small role in total U.S. communications abroad (USIA's annual budget is approximately \$175-180,000,000 a year) there is a need for an official source. USIA attempts to introduce a corrective factor into the news media. USIA's work is highly targetted towards groups who are significant.

USIA is concerned with three main topics:

1. Explaining the U.S. as a nation, this includes presenting a sympathetic view of the U.S. and its problems.
2. Explanation of the U.S. position on international issues.
3. The problem of national development.

This includes providing information on U.S. experience which might be relevant to the development process of other nations.

For anyone interested in greater details about USIA programming policy, see the paper left with Dr. Millikan.

Two specific examples of USIA activities with respect to development were discussed:

1. The citizenship education program in Korea, which involved the adaptation of U.S. concepts of the role of a citizen in the community to the Korean educational system.
2. In Nigeria, the "Focus on Progress" program involved the illustration of different aspects of economic development in Nigeria through tv and film shows. The key to the success of both programs was that they were joint programs between the different U.S. agencies and the recipient countries.

There was discussion of Wilbur Schram's concepts on the role of communications in the development process. For example, communications could be used for:

1. Creating a climate for development; widening the horizons of people and developing empathy.
2. Supplying information for the purpose of increasing participation by the people. Communications also enable the leadership to focus attention to key issue. Communications can also confer status and help to legitimize political leaders and institutions.
3. For teaching and training purposes: this includes the whole area of the formation and the re-inforcement of social norms.

Discussion: Several points were raised during the discussion.

1. How does USIA assess the effectiveness of its programs? USIA has a research division, but an assessment of whether people act on the given information is the weakest part of the research program. USIA tries to do a number of things to assess its effectiveness; such as the survey in Southeast Asia on the impact of printed media; technical monitoring of radio signals, etc., but evaluation is not yet carried out on a systematic basis. There are a great many problems connected with doing survey research in less developed countries. It is also difficult to assess the magnitude of the USIA effort with respect to national development programs because the USIA budget is not broken down in this manner. However, a major part of the USIA budget is devoted to national development in 33 posts in Africa and 10 posts in Latin America, among others.
2. The division of functions between AID and USIA in the field of communications. This division is a little hazy. In general, AID provides the funds for training or materials, whilst USIA provides policy advice. The danger is that training of host country people may receive low priority because there is no clear definition of functions between AID and USIA. It was felt that the break up of AID's communication media division was detrimental to communication programs.
3. The whole problem of communications raising the aspiration level too high for the political system to handle. This involves the touchy issue of government control over the communications media.
4. The development of programs to increase the flow of communications from the people to the government. USIA is experimenting with this in Vietnam. The Thai mobile information teams are another example. However, USIA is not yet doing enough in this field.
5. The possibility that USIA act as the executive agent for carrying out participant training in those countries where AID will phase out.

6. USIA has at present no information on the likely receptivity of host country publics towards Title IX activities.
7. With respect to legitimizing political figures through communications, there have been some successes and some notable failures. In general, USIA tries to avoid involvement with personalities.

D/7  
July 18, 1968

**Topic: Relationship between Title IX and U.S. Military Assistance and Activities**

**Presentation by: Sam Brown  
Gary Quinn**

**Rapporteur: Claudia Moyne**

**Announcement: Reporting by the Country Working Groups will begin Friday (July 19) afternoon.**

The discussion focused on the paradox that the need for Title IX is being recognized at the same time that some of the basic premises of U.S. foreign policy are being reevaluated. If the 'neo-isolationist' trend of this reevaluation should predominate, Title IX may very well become irrelevant. The redefinition of U.S. national interest currently taking place includes the following elements:

1) The old premise that the major arena of big power competition was shifting to the Third World is being challenged. The Third World is unimportant for the big powers, or, at least, the 'loss' of a country in the Third World is not necessarily a defeat for the particular big power concerned. The Third World is less able to influence the power alignment between the large powers than previously assumed.

2) The viability of any less developed country may be more determined by internal factors than the outside environment, especially such outside factors as big power rivalry; Indonesia is a case in point.

3) The assumption that political disorder could easily be exploited by the Communists is being challenged. It is difficult to capitalize on disorder. The U.S. attributed too great a competence to the Chinese or the Russians to use disorder for their own benefit. This includes greater awareness that indigenous communist take-overs do not necessarily benefit the Soviet Union or China.

4) It is increasingly being recognized that U.S. aid in any case has only marginal effects.

The above re-analysis of the relationship between the Third World and the power distribution between the large powers has led to a redefinition of the U.S. interest in the less developed countries:

1) The U.S. does not have a major security interest in most of the less developed countries;

2) The U.S. may, in fact, have an interest in promoting mutual big power non-interference in the internal processes of the l.d.c.'s.

3) Therefore, our altruistic interest in the l.d.c.'s should be carried out in as apolitical a manner as possible.

**Topic:** Relationship between Title IX and U.S. Military Assistance and Activities

**Presentation:** Sam Brown  
Gary Quinn

**Rapporteur:** Claudia Moyne

This re-definition of the U.S. interest is in conflict with some of the premises of Title IX, which postulate that a healthy political climate (i.e. representative or democratic institutions) is an important goal of U.S. foreign policy. In addition, the U.S. also has less leverage than before in influencing the internal conditions of the l.d.c.'s. The costs of Title IX goals may be high in some of the less developed countries, and the tolerance for bearing these costs may decrease if U.S. activities are interpreted as 'meddling'-- and this could easily happen if the U.S. follows a policy of Title IX conditions in return for providing economic aid.

Mr. Brown proposed that U.S. policy might move in the following directions, given this new perception of U.S. interest:

- 1) bankers' criteria on development loans in our bilateral aid program
- 2) More technical help. Title IX could be used as a funnel for technical advice.
- 3) Stopping grant military aid except to those countries where a serious threat would really effect the U.S. security interest.
- 4) Rely on multilateral agencies to express our altruistic concern. This means increasing our contributions to multilateral bodies. By this method of providing aid, we would show our concern for the l.d.c.'s, but without the presumption as to our ability in influence and meddle in their internal processes.

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griff!

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Discussion: The following were some of the issues raised:

1) It was felt that this new perception of the U.S. national interest has permeated the Pentagon considerably. It is being seriously discussed at many levels. There is, however, a competing trend which sees a continued role for the U.S. military in the whole area of political development--one of the results of lessons learned in Vietnam.

2) With respect to the extent of future U.S. involvement in the Third World, the rather universalistic prescriptions of Title IX (the tendency to believe that where we have an economic program we also should promote political development) are opposed to the concept of getting involved in fewer places, since there will be few countries in which the U.S. has an important interest in shaping that country's social system. The posture proposed in a current policy paper is that the U.S. become involved more selectively. This, of course, raises

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Topic: Relationship between Title IX and U.S. Military Assistance  
and Activities

Presentation: Sam Brown  
Gary Quinn

Rapporteur: Claudia Moyne

the problem of how to define the criteria for becoming involved.

3) The problem whether those countries where the U.S. military presence will continue will also be those countries suitable for Title IX. It may be that those countries which the U.S. will define as having a major security interest will be those with little opportunity for an interventionist political program. Also, to what extent is there a danger that the military will supplant the civilian elements in the political development role. And is political development seen primarily by the military as a way of maintaining a role for itself?

If the military is to get involved in political development, the need for setting unified U.S. priorities in a given country was stressed--since there often is conflict between the classic military mission, i.e. security, and social/political programs.

4) It was pointed out that if potential conflict between the 'haves' and the 'have nots' was substituted as the major premise for U.S. foreign policy, in place of the East-West conflict, then a different conclusion might be reached regarding the U.S. interest in the less developed world.

5) The Thailand mobile development units were mentioned as an example of the kinds of progressive actions that can be carried out through the military establishment.

6) It was point out that the new analysis of the U.S. national interest also proceeds from a view of the international system as a threat system; threats set the priorities for U.S. foreign policy. A different view of the international system may lead to different conclusions about the U.S. national interest.

7) The difficulty of forecasting the U.S. mood was discussed. Is the neo-isolationist trend a deeper trend than merely the result of Vietnam fatigue? Brown felt that it was more than Vietnam induced depression. The critique of U.S. missionary zeal in the international arena post-dates the Vietnam crisis. The popular mood is now converging with this group of serious analysts and may exert a pressure which the next President, whoever he is, may not be able to withstand. On the otherhand, relationships grew out of crises and it may be unrealistic to forecast a world without crises and without relationships with the l.d.c.'s--especially since the Vietnam war has not ended and we do not know how it will end.

*(p) 'haves'!*

**Topic:** Relationship between Title IX and U.S. Military Assistance  
and Activities

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Also, it was pointed out that the U.S. national interest may need a wider definition than security considerations. Title IX may apply to this middle area of the U.S. national interest. However, this raises the question of (if Title IX is not crucial for security reasons) what is the motivation for attempting to transform the world?

8) The concept that there is a correlation between local unrest and instability and aggression needs to be tested. Are unstable nations more likely to be aggressive internationally?

9) With respect to the issue of the reorganization of inter-agency relationships necessary if Title IX is to be effective, the Inter-Departmental Regional Group for Latin America was mentioned as a possible model for better coordination between agencies. Coordination of research is particularly necessary.

11?

Country Group: Indonesia  
Chairman: L. W. Pye  
Rapporteur: Karl Jackson

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1. Indonesia is uniquely receptive to aid. Almost unlimited receptivity makes it harder to decide what U.S. aid inputs should be. Everything needs to be done and one does not know where to begin. Economic and political theories of development do not give adequate guidelines for deciding where to begin unless one decides to mount a huge program to tackle all problems simultaneously.

2. It is difficult to set up a program by starting with calculations of national interest. What is the connection between general statements of national interests and the specific shape of aid program.

3. See Guy Pauker's paper for a rationale for a larger U.S. aid program for Indonesia.

4. There are two situational factors which will effect the calculation of U.S. interests but which cannot be predicted at the present time. These are the effects of the post-Vietnam situation in Southeast Asia and the direction to be taken by the CPR in the area.

5. The U.S. should go beyond the stabilization program by increasing assistance to the food production program including the fertilizer and transport aspects required by the food program.

6. The military are running the show in Indonesia and we should assist them in their civic action program.

7. Population control should also be emphasized.

8. The multi-lateral aspects of the aid program to Indonesia should be continued in order to (1) keep other nations on the hook, (2) provide alternative aid resources in the event of a deterioration of U.S. - Indonesian relations, and (3) allow Indonesia to preserve her image of neutrality. However, multi-lateral aid alone will not provide the necessary resources for Indonesian development. Therefore the U.S. must also operate within a bilateral framework with the Indonesians.

9. The following matrix has been devised for checking upon the Title IX dimensions of the development programs to be utilized in Indonesia. It is hoped that this might be of assistance to the program officer for Title IX implications of development programs.

Country Group: Indonesia  
 Chairman: L. W. Pye  
 Rapporteur: Karl Jackson

CAPACITY TO PERFORM  
 Functions Requisite  
 to Development

		SECTORS				
		Development Planning	Stabilization	Food Supply & Distribution	Family Planning	Transportation
1.	Capacity for analyzing needs and priorities					
2.	Capacity for planning the program					
3.	Capacity for mobilizing resources					
4.	Capacity for gaining popular support					
	a. essential needs of client groups					
	b. inviting participation by client groups					
5.	Capacity for insuring that programs are carried out efficiently					

In filling in the cells of the matrix one would look at each of the sectors and ask what effect an input in the sector would have upon the Title IX concerns represented by the capacities. For example, what effect does following a stabilization program have upon (1) increasing capacity for analyzing needs and priorities and (2) the capacity for gaining popular support.

Country Group: Indonesia  
Chairman: L. W. Pye  
Rapporteur: Karl Jackson

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10. In relation to the committee on concept and measurement of Title IX the following questions were raised:

- a. In a country with rich resources but no infrastructure, i.e., where there is a wide open field, what tools are available for deciding how and where to begin on Title IX?
- b. How can Title IX be of assistance in increasing the support and morale of a host government?

11. The following questions were raised for the committee on host country situations and strategies:

- a. One short coming of the Bayley-Brown formulation is that it does not confront the problem of how Title IX can be of assistance in reformulating the political party structure of a country or the whole political system of a country?
- b. Can Title IX be carried out under multi-lateral auspices?

12. The Indonesia committee did not address itself to the specifically Title IX projects which might be advised for Indonesia.

13. The conference as a whole still does not have a sense of the character of particularly Title IX activities. More work must be done by the committee on concept and measurement.

Country Group: Africa  
Chairman: Eric James  
Rapporteur: Claudia Moyne

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The work of the Africa Group consisted of three parts:

1. Discussion of some critical issues which are important for AID's relationships with Africa in general.
2. A case study of Liberia
3. A case study on Tanzania

TANZANIA: Tanzania was cited as an interesting case for studying Title IX possibilities because it is already engaged in Title IX activities. Also, in the U.S. foreign policy context, Tanzania is a "clean slate country;" U.S. security, investment or trade interests are minimal, and U.S. aid so far has been small. Tanzania also presents an opportunity to study the problem of potential conflict between Title IX and regionalism. Regional aid can have three effects with respect to Title IX: it can be in conflict with Title IX objectives, it can be neutral with respect to Title IX, or regional aid can support Title IX goals. Some examples of possible conflict between regionalism and Title IX were mentioned, for example: Tanzania has its population and capital located near the borders. Some of the most developed parts of the country communicate more easily with Uganda or Kenya than with Dar es Salaam. A Title IX program might want to change this pattern while a regional approach would not.

The Tanzania working group recommended that Title IX should be a sufficient rationale for aid to Tanzania's own Title IX type activities are worthy of support. It was, however, recognized that Tanzania's role vis-a-vis the East African Community would be a factor in the U.S. decision on the amount and kind of aid Tanzania will get. If Tanzania were the "guilty" party in a break-up, the costs for the rest of our Africa policy of continuing to aid Tanzania might be too high. If, however, regional integration were to collapse through no fault of Tanzania's, the Title IX activities of the Tanzanian government would be a sufficient condition for continuing aid.

Some indicators of Tanzania's Title IX activities are:

1. Meaningful elections within the one party structure.
2. Government policy to prevent the formation of privileged classes or an urban elite.
3. Efforts to implement rural development
4. Efforts with respect to national integration: such as efforts to increase the use of Swahili as the lingua franca and efforts to prevent tribalism.
5. Civilian control of the military

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While the above present opportunities for a U.S. Title IX approach, there are also some constraints in the Tanzanian situation, these are:

1. Tanzanian foreign policy. There is suspicion of the U.S. and a latent anti-Americanism.
2. The ideological nature of Tanzanian decision-making, such as the stress on African socialism and suspicion of private enterprise. There is also suspicion of intermediate groups, such as trade unions, etc. These ideological factors run counter to some basic Title IX ideology.

An analysis of the current AIL program in Tanzania concluded that out of 26 projects, only 6 had some Title IX implications. Some things the AID Mission might do are:

1. In the participant training program for government officials to include participants from local, district and regional levels. Also, local governments, organizations, should be provided the same kind of assistance now provided the central ministries by the OPEX advisors and experts.
2. To evaluate the Community Development program and the Rural Credit program, in order to get an understanding of the factors contributing to the apparent successes of these two programs. This analysis should be done by Tanzania's own research institutions.
3. The agricultural feasibility studies about to be undertaken should include Title IX criteria in project selection. This should also be done with the Economic and Engineering Surveys.

With respect to the Tanzanian Government's receptivity to Title IX and its ability to implement Title IX projects, the Working Group concluded that, in spite of a certain amount of suspicion of the U.S., there was basic receptivity for the kinds of political and social changes envisaged by Title IX, but that the U.S. should work within the framework of Tanzania's own objectives and concepts regarding political development since the Tanzanian approach is acceptable to U.S. interests. Bureaucratic effectiveness is likely to be the biggest obstacle to carrying out Title IX type programs. Tanzania has a very low level of trained manpower, particularly at the middle level. Thus, one emphasis of the U.S. program should be manpower development, including middle-level business-type management.

The overall conclusion for future AID strategy is that Title IX interests as well as East African regional cooperation are best supported by concentrating on a strategy of economic growth.

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Research recommendations:

1. development of indicators of Title IX progress as suggested in Hagen's paper
2. more local studies in order to find out what is going on in the way of development in the districts.

Local intellectual resources should be used whenever possible and research should either be unclassified and capable of being openly discussed with the Tanzanian government or else not undertaken at all.

LIBERIA: In contrast to Tanzania, Liberia is a "dirty slate" country, in which the U.S. has a strategic interest. Here is substantial private U.S. investment and a long period of involvement. Within the present institutional framework there may be scope for Title IX programs in the following areas:

1. Agricultural and community development schemes to bring about hinterland economic and social development;
2. Attempt might also be made to create local government institutions in the rural areas;
3. enlargement of activities already underway by private firms.

Looking ahead to a post-Tubman period, the Working Group anticipates possible social and political strife and the emergence into power of a faction which might be hostile to the U.S. From this future perspective, it is recommended that the U.S. should undertake a vigorous Title IX program in Liberia, or get out of Liberia. To take a middle course incurs the serious risk of either U.S. military intervention, or the U.S. being thrown out by a successor of Tubman hostile to the U.S.

With respect to the rest of Africa, mostly French-speaking Africa, it was pointed out that there was little chance of conflict between Title IX goals and other U.S. interests because the U.S. has few other interests in these countries. The disadvantage of this situation is, of course, that there is also little money available for aid programs. But this may not be too much of a disadvantage because these countries have little absorptive capacity anyway. U.S. strategy here might consist of breaking specific bottlenecks with programs not necessarily involving a lot of funds.

Friday - July 26

E/10

Group: Foreign Policy Context  
Committee's Report to Plenary Session  
Rapporteur: Karl Jackson

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The following controversies reared their ugly heads during the afternoon session:

1. Has economic development as an end in itself been ruled out? In the context of the report it seems to have been tied solely to strategic objectives. It still rests too firmly upon threats to U.S. security.
2. The humanitarian appeal for aid expressed in certain sections of the report was deemed to be ineffective as a method for presenting the need for aid on the Hill. This multiple audience problem can be circumvented by losing the idealistic approach as one of several equally acceptable rationales.
3. Everett Hagen volunteered to provide an addition to page 3, paragraph 4.
4. The paper neglects the Western Hemisphere, assistance to Latin America for the 15 years before 1960 was not tied to cold war security interests.
5. The report should consider the distinctions between the problem of finding support for foreign aid (1) on the Hill, (2) in the country as a whole.
6. Attention should be paid to constraints upon foreign assistance, e.g., balance of payments, domestic spending.
7. Pages 9-12 - do not adequately approach the problem of how to decide which countries are important for Title IX efforts. If there is a new rationale for aid in a changing world then the decisions on concentration might be changing also. How is the change reflected in the allocation process?
9. One can only rationalize doing more in particular countries in terms of US interests. How does this square with the view that US interests in the LDC's are declining?
10. Because Title IX might best be pursued within the framework of bilateral relationships, does this mean that the emphasis on regional cooperation should be reduced?

11. In reference to page 8 of the report, the mythical country 'X' is too mythical.
12. In relation to recommendation #3 and to the tone of the whole report, it is difficult to envision any audience that would be convinced by the new idealistic rationale for aid. It assumes that (1) the old ideals are still acceptable, (2) massive aid funds will be forthcoming and (3) no new security rationale is necessary. The old security rationale has been called into question but no new rationale has been provided.

The first two paragraphs on page 5 of the report will tend to be passed over as mere rhetoric. It is necessary that the report should point out that the ideals expressed are presently being widely questioned.

13. During the course of this conference, many have explicitly or implicitly spoken as though Title IX would provide US policy makers with massive influence over host countries. Very early in the course of the report an expression of the limits of U.S. Title IX influence should be voiced.
14. It was felt that the report required sharper focusing. In particular, the list of principles and the comments on the changed world situation should be more clearly linked to the decisions about AID policies should be altered.
15. In reference to recommendation 8, it was felt that the words "some recipient countries" should replace the more general formulation, "a recipient country."
16. Recommendations 3 and 10 should be integrated.
17. The resources requisite for Title IX should be of two kinds, (1) money, (2) capable personnel. The latter may be the more limited resource.
18. Recommendation 12 should refer to short-term U.S. security.
19. Recommendation 11 - should take cognizance of certain geographic factors which impinge upon U.S. interests.
20. The conference has ignored the problem of subversion in the LDCs. Generally the report does not deal adequately with U.S. policies toward internal violence in the LDCs. Consideration should be given to country situations in which Title IX is only possible if the host government can control its internal violence.
21. The chapter might be sharpened by providing sub-headings:
  1. assessments about the world environment,
  2. the implications of Title IX for operating in this world environment.

Group: The Committee on Concepts & Assessments  
Rapporteur: Karl Jackson

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The following controversies reared their ugly heads during the morning session.

1. The economic rationale for Title IX should be treated more fully in the report. Is there really a connection between economic aid and the achievement of Title IX goals.
2. The conference should assume that its mandate is not limited to the Congressional instructions alone but it is the duty of the conference to express its doubts about the validity of the instructions given by Congress regarding Title IX.
3. How does the paragraph on national integration fit into the report? The section may be renamed "national participation."

The central thrust of Title IX is the concept of participation itself. There are a number of institutional consequences required to make participation effective. In particular, the report should contain a discussion of the interplay between local and national institutions.

4. In reference to page 20, paragraph 2, the report might be amended to read, "participation is often espoused and de-centralization is regarded as a useful way to achieve it."
5. It was felt that much greater stress needed to be put upon the dilemmas inherent in Title IX: centralization vs. decentralization, participation vs. bureaucratic effectiveness. Achieving a balance between these contradictory tendencies might be a sufficient definition of social and political development.
6. The skills in the central bureaucracy are not the only limit upon the response to Title IX. Many bureaucracies do not want to encourage participation, and strengthening the bureaucracy might only result in a bureaucracy which refused to encourage participation. The strengthened bureaucracy might have a greater capability for resisting all attempts to increase participation in the society.
7. What effects should Title IX have on the aid allocation process? Should one cut off all economic aid to those countries which are not "Title IXing."

It was felt by some participants that the choice was not between whether or not to provide economic aid at all, but that it was a choice of how to pursue economic aid in order to get the desired political outputs.

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One major difficulty of a strategy which would state that the U.S. should cut off all aid to countries which are not "Title IXing it," is that by using this criteria the U.S. would have ceased giving aid to South Korea in the early 1950's. In fact, massive investments in education and infrastructure produced a powerful Title IX effect, but only after a considerable length of time. Therefore, one must be very careful about the timeframe upon which to base decisions.

9. In reference to the recommendation #9, the unstated implication is that all shortrun outputs of Title IX will be destabilizing and that the positive benefits of Title IX will only appear in the longrun.
10. In reference to the section on phase-out, pages 23-24, there should be more emphasis upon this subject in the report. The second paragraph on page 23, should be included earlier in the report of the committee and separated from the concept of phase-out. Some aspects of Title IX are much faster than others, e.g., reducing regional income differences can take place in a relatively short-time. You can achieve faster or slower Title IX results through strategically selecting the types of projects for which aid is to be given.
11. The report seems to assume a necessary conflict between Title IX and some forms of economic development. In fact the opposite tends to be true. If rapid economic development occurs then many Title IX objectives are automatically satisfied.
12. Title IX is not a major policy for reconstituting the internal political process and structure of developing states. Rather it is a desire to maximize the political byproducts flowing from economic assistance programs.
13. The assessments section of the report is directed toward national integration and the economic benefits of participation, whilst the concept section is addressed to a threefold classification of participation. Participation in implementation and in decision-making do not appear in the indicators or at least the indicators are not labelled as such. In the list of indicators the authors of the report have not sorted out the indicators for which data would be either expensive or difficult to obtain. In addition, some of the more expensive items of data would not add a great deal of the effectiveness to the overall set of indicators:  
I A (2)      I B (6)

Under-employment      should not be included in II (d)

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It is best to obtain employment figures and then to make one's own assessment of unemployment.

II C should be omitted from the list of indicators because it is an expensive bit of information and does not tell much about the phenomenon.

II F should be omitted, because it would require a census on education, which would be extremely expensive. It would make more sense to include an indicator which classified educational systems in which (1) systems primarily interested in transmitting traditional values and (2) systems oriented towards problem solving.

14. There should be a section using non-aggregate data. These are relatively inexpensive to gather and often provide a better indication of the way the political system is changing. Examples of this type of data are:
  1. the extent to which government recruitment standards are changing,
  2. the extent to which a government's nationality laws have begun to promote the modern concept of citizenship.
15. More attention should be paid to the system of conflict resolution in the society. Increases in participation tend to lead to an increase in the number of disputes requiring some type of adjudication.
16. Recommendations 1 and 11 should be integrated.
17. In reference to recommendation 2, why is this particular element emphasized and not others?
18. The summary paragraph on page 23 should provide the key recommendation for the committee on concept and assessment.
19. In relation to Title IX research purposes. Host country personnel should be used to do the research in order to decrease the amount of resentment and to build up the social science capacity of the host country.

Group: AID Instruments and Programs in  
Relation to Title IX  
Committee's Report to Plenary Session

Rapporteur: C.Moyne

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The discussion focused on the recommendations, and the following points were raised:

1. There was some fear that recommendation #7 (focusing on the problem of how to strengthen the bureaucracy without deleterious effects on participation) may be interpreted as advocating a downgrading of U.S. efforts to strengthen and make bureaucracies more efficient. Traditional public administration policy is that efficiency itself will make the bureaucracy more responsive. It was suggested that, in addition to building up or strengthening parallel institutions as proposed in recommendation 7, the dimension of more effective two-way communication which will make the bureaucracy more responsive from pressures from below, should be stressed more in the Report. Making the bureaucracy more responsive downward will neither detract from efficiency nor from the participation aspect. It was pointed out that in some technical fields, such as agriculture, the requirements for efficiency coincide with the requirements for participation, but this is not true of all technical fields.

The point was made that the real question really is bureaucratic efficiency for what ends? The issue goes beyond efficiency to the source of the norms of the bureaucracy; i.e. whether the bureaucracy gets its norms from a fairly wide political base or from a narrow base, such as special interest groups, or even norms generated within the bureaucracy itself.

It was proposed to change the word "countervailing" to "complementary" in the recommendation, in order to denote the concept of actions which are reinforcing. The countervailing concept suggests constant conflict or deadlock, which is not necessarily the case. There was, however, some objection to omitting the countervailing concept altogether, since this is an aspect of the relationship between the bureaucracy and other social institutions.

The point was made that bureaucracies are not homogeneous; there are competing forces even within bureaucracies.

2. With respect to recommendation no 6, it was proposed to add that new types of public administration specialists would also be needed if they are to be used differently.

3. It was suggested that local financing was a key element in getting local participation. It was also suggested, however, that if it was impossible to get local financing, the same result might still be achieved through the method of delegating functional responsibility for projects to the local leadership. Thus, getting people to invest their own money may not be the only method of providing incentives for local participation.
4. It was pointed out that a stress on local participation did not necessarily mean a lot of American personnel working at the local level. It was suggested that this distinction should be emphasized in order to avoid creating the impression that the conference is advocating a lot of programs with a large number of Americans working at the local level. In this connection, the subject of cooperation and coordination between AID and the Peace Corps might be discussed.
5. Irma Adelman presented her latest research findings. She took five aid instruments (increases in social overhead capital, in literacy, in secondary and higher education, improvement of financial institutions and agrarian reform) and three aid goals (decreases in social and economic dualism, decreases in the subsistence sector, increase in social mobility) to see which are the most closely related. The conclusion was that the economic types of participation (e.g. distribution) may be more predictably related to the economic instruments than the achievement of economic growth.
6. It was suggested that stabilization not be used (bottom of page 29) as an example of conflict between economic policy and participation. Stabilization programs to combat inflation are not necessarily in conflict with the participation concept.
7. With respect to recommendation 14 (g) it was pointed out that a minimum threshold of effort is needed when working with any organization in order to make an impact on that organization.

A strategy was also suggested of giving substantive, in-depth training to the middle and lower levels of an organization and to give "exposure training" to the leaders of the organization in order to facilitate understanding and acceptance of any new ideas and techniques which the trainees might later want to introduce into the organization.

8. It was proposed to add guarantees to the list of instruments in Appendix A.
9. It was suggested that the whole role of the AID Mission as a training ground for future local politicians might need more discussion in order to bring out the potential as well as the risks involved in this role.
10. In Appendix B, it was proposed to isolate the criterion of who benefits since this is a crucial issue.

Group: Non-A.I.D. Activities  
Rapporteur: Smith

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It was stated at the outset that there were two controversies in the committee. They were, (1) whether or not participation is intrinsically good; and, (2) whether or not the U.S. has anything to offer.

The discussion then centered mainly on two areas of concern: political parties and coordination of all forms of activities.

**Parties:**

A question was raised concerning the best method for us to help finance political party competition. It was pointed out that we generally take as an article of faith that such competition is in itself good. This is not necessarily true in some LDC's. In addition, the problem of sensitivities in mass party or one party states needs to be kept in mind.

Another problem raised was that of corruption in funding of political parties at the local level. It was pointed out that often corruption tends to broaden popular participation, but that the U.S. could be caught in a bind since it doesn't want to get involved in funding local corruption.

One suggestion for possible funding was to channel funds through subsidiary organizations of various host country parties.

In general it was agreed that the single biggest problem was that of sensitive areas. It was suggested that research and analysis of whether or not A.I.D. should step into the local situation should be undertaken. We need also to be aware of potential "orphans": does A.I.D. pick up where CIA et al leave off?

**Coordination:**

Coordination is also usually taken as an article of faith: it is assumed that it will be done, but no one ever says how. There is not now in A.I.D. any organization competent to handle the problem. It should be addressed immediately although it may be a vain hope.

It was suggested that more emphasis might be placed on host-country NGO's, particularly universities. We might also consider international banks and multilateral organizations.

Eric James  
Africa Country Group ·  
Final Report *Revision*  
July 29, 1968

Tanzania - case study - Nye, Brown, Puritano, Farer

Liberia - case study - Ward, Dalton

Africa (particularly South of the Sahara) - preface - James and Hapgood

### Preface

Africa, particularly Sub-Sahara Africa, presents for the United States a challenge and an opportunity in foreign economic, social and political cooperation in its Title IX implications. The experience in this field so far achieved has not, in the opinion of the officialdom, both in the U.S.A. and in Africa, been crowned with success and optimism. It is likely that this difficulty has had its roots deep in the cultures of the societies and their absorption capacity vis-a-vis U.S. development expectations. It is more likely, however, that the U.S. modernization experience has not yet reached the acceptable level of sophistication necessary to adapt its approaches to the social structure of African societies to achieve viable and sustaining development.

Generalizations regarding modern states are unwise, particularly in a region which, although assuming and exhorting Pan-Africanism, includes states which, in themselves are distinct, independent entities which vary considerably along geographic, ethnic, linguistic, political and economic lines.

Although the U.S. has had a continuing interest in the African continent since the last century, it is not until very recently (save for Liberia and Ethiopia which were politically independent since the 19th Century), that there has been much U.S. direct development involvement. The twenty or so nations, which beginning in 1957, with Ghana, achieved political independence in the last decade, have gone through such transition in their internal affairs and their external relations and modernization efforts, that there is need to develop individual strategy considerations, while recognizing such basic similarities in their prejudices, their aspirations and foreign relationships as merit generalization.

The two countries selected for special Title IX study, Tanzania and Liberia, fall into the categories mentioned above. They are Sub-Sahara countries, which in their own way are aiming to achieve legitimacy and national identity, the one becoming politically independent in 1961, the other independent for six score years. They show marked variations internally and in their foreign policy. Tanzania possesses a single, mass party which invites and encourages intra-party dissent under what Tanzanians consider purposeful leadership; disciplined and widespread public support and participation among a large spectrum of population; center-periphery political and developmental relationships; official socialist tendencies and a bold and successful attempt to achieve many goals to which Title IX is addressed. On the other hand, Liberia reflects a conservative, authoritarian oligarchy, with a low participant index: a small governing elite, the

members of whom dominate the political system in which opposition is neither encouraged or permitted: protestations of a private enterprise economy and an official repugnance to any movement which, politically, socially or economically could be construed as socialistic. This country possesses little of achievements or viability for Title IX aspirations.

In 1966 President Johnson made an appeal to find ways "to build strong democratic institutions in Africa and to undertake a review of U.S. development policies and programs in Africa, in order to identify better means of helping the African peoples build a modern Africa." Such a review took place in 1966 by Ambassador Korry and several U.S. government agencies, which resulted in the approval of new approaches to foreign assistance to Africa. The major change was to be the earmarking of nine African nations for bi-lateral aid and others for regional (grouping) cooperation. These approaches reflected economic development as their goal.

The two countries selected for this survey are in the bi-lateral group. Discussions of them reveal two different sets of challenges faced by the U.S. in its efforts. However, it is also clear that in addition to these two, there is a wide range of LDC's in Africa presenting a wider range of issues which merit recognition by U.S. efforts to help to bring modernization to the continent and which underlay relative success or failure in these efforts. The notion of identifying better means of helping the African peoples invites special action programs and sensitivity to areas not normally pronounced in AID experience.

This preface to the two case studies is therefore designed to present a few broad generalizations based upon experience of U.S. foreign assistance in Africa. They record certain politico-governmental, socio-psychological and economic-technological prejudices and limitations which provide check-points and tension-generating indices, most of which assume higher and more significant importance in Africa than in other LDC's. Specifically, the preface aims to:

1. Indicate a few critical issues which are considered important in AID's relationships with Africa, particularly issues which should be borne in mind by field personnel in their work.
2. Suggest approaches based upon these issues which AID might find of value in its technical cooperation in Africa, particularly in keeping with Title IX goals.

#### The Issues

##### A. Political and Governmental

- Africans accuse the U.S. of an ambivalence in its foreign policy towards Africa. On the one hand, they contend the U.S. exhibits

a genuine sympathy for their efforts to shed colonialism, remove injustice and alleviate poverty. On the other hand, they claim that the U.S. becomes frustrated, hostile and angry when they attempt to seek these goals by pursuing ideologies and governmental forms which suit their purposes, but regarding which the U.S. is out of sympathy, finding such approaches neither 'democratic' or acceptable. For the most part (Liberia, Ethiopia and Nigeria among the major exceptions), they would like the U.S. to recognize that it is possible to have a somewhat socialistic or mixed political-economic system that is democratic rather than repressive, communitarian rather than individualistic. Many compare their development record with this political-economic focus against Liberia's which possesses an individualistic, non-socialistic private enterprise approach.

- . Africans insist that, unlike the U.S. political and governmental forms, there is no need for them to manufacture two-party or multi-party systems in order to achieve popular democracy and encourage opposition that (Tanzania) one-party systems with purposeful leadership are able to engage in opposition politics which facilitate popular democracy and grass-roots participation in the decision-making process.
- . Africans demand respect for and appreciation of their basic desire for non-involvement, non-alignment and a somewhat neutralist position in world affairs. They feel that, at the present time, it is the only role that they can play in this age of universal history that this is a necessary pre-condition while struggling to achieve their identity and for Africa's future presence in world affairs. It is their desire that such approaches be not viewed as anti-Americanism.
- . The regional concept of "development emphasis" countries as recommended in the Korry Report is in keeping with a rational, long-term approach to development. While many African leaders accept the rationale behind this approach, politically they concede among themselves that the proposal was not conceived as a result of a felt need (expressed by Africans themselves), but was executed unilaterally. In addition, Title IX to be implemented effectively will have to deal on a country-by-country basis and regional economic integration may not coincide with the Title IX prospects of the individual countries which make up region. This will require careful analysis of the political-economic goals and a sensitivity on the part of AID to this situation.
- . African governmental forms are generally highly centralized. In the former French colonies this might have been expected. On the other hand, in the former British colonies, with a strong tutelage and experience in local government administration (Ghana, Sierra Leone, Sudan, East African territories) strong centralization has emerged. Such centralization has been necessary, the Africans say, for security reasons, in order that unification can be achieved in a minimum time and as an instrument in allocating more efficiently the scarce resources

throughout the country. As a result, the central government (with which AID generally deals in its development efforts) channelized its resources and priorities through development ministries which are generally unprepared in terms of competence and interest in serving local communities, and limits the achievement of popular participation in the grass roots in development efforts. AID's attempts in by-passing the central government in achieving self-help goals and in initiating projects geared towards popular participation frequently meet with opposition and a fear on the part of the central government of political and administrative subversion.

- . It follows that in order for AID and the U.S. to deal effectively with Africa in world affairs, and particularly to move in the direction of Title IX goals, the basic and penetrating desires of Africans to achieve an identity of their own has to be understood. This identity is pursued through "Negritude", interpreted as "The African Personality": Pan-Africanism, or the aspiration of all independent African nations to achieve the independence of all Southern Africa and the Portuguese territories, before getting involved in world problems: a positive and strategic "oneness" role in the United Nations, in which body Africans aim to constitute the most important single bloc among the LDC's, and a non-involvement stance in the hot or cold war.

#### Socio-psychological

- . The importance of Africa to the United States has neither been accepted by Africans nor by Americans. Before 1956, the African "desk" in the State Department was a part of a grouping of Near East, South Asia and African divisions. High level and diplomatic representation existed only in Liberia, as a courtesy patronage connected with American Negro politics. American business has through the years exhibited little concern with Africa. Up to the early 1930's, the U.S. had concentrated only in mining in South or Central Africa and in rubber in Liberia, which were the only real economic ties between Africa and the United States. It is since World War II that American diplomatic, economic and academic interests began to emerge, although the Africans, particularly the governing elite, interpret this interest less as American appreciation and sympathy for their anti-colonial thrust, than to other factors tied to U.S. interests, e.g., strategic bases, possibilities for raw materials, NATO involvement and balance of power implications. The realization of these factors leads Africans to positions of cynicism and suspicion when development goals are enunciated by the United States. This colors their receptivity to some development proposals, which they conceive of to be primarily in U.S. power politics interests.
- . The racial policies and practices in the United States are of direct and crucial interest to Africa, much more so than to the rest of the Third World. The tragic deaths of the two Kennedys and of Martin Luther King have made a deep political as well as a social-psychological

impact of no mean proportions on African populations and has resulted in an attitude of suspicion of the real motives of the U.S. in the area of civil rights and 'democratic' principles. These deaths saddened both the African masses and their leaders. While the deaths of the Kennedys were mourned considerably, there will never be a convincing argument to dispell the notion among the masses of some Africans, that King's assassination, no matter how legal and other developments might disprove, was not a part of a sinister design on the part of right-wing forces of white America. The immediate reaction of declaration of official mourning in an array of African states was intensified by days of anti-American press reports and injectives, comparable in recent years, only to the anti-Americanism which resulted in Africa from the U.S. participation in the Congo crisis.

Some African leaders south of the Sahara have developed a sensitivity to the fact that the U.S. in its AID programs gave high priority initially to the Maghreb countries. They construed the reasons to be, on one hand, because of these countries' "Western oriented" culture and on the other closer ethnic identity. So much of U.S.-African relationships are interpreted by Africans on the basis of race. Nigeria also was considered more favored, not because of its large size and population, but chiefly because it was the belief of most Africans that Nigeria to the U.S., held out the best hope to become a showplace of the adaptation of 'Western' political institutions. Discussions on these comparisons take place at African international conferences. Even today, with a transition in the priorities given by the U.S., whereby aid resources are being allocated to virtually all the newly independent LDC's south of the Sahara on a rational basis, Tunisia and Morocco in their view, get a disproportionate share of the AID budget.

Africans feel that there is an official U.S. opinion which would abandon Africa to France and Britain, countries which have a greater historical obligation to the region, possess many more years of experience in dealing with Africans in modernization efforts and have maintained more substantial trade routes with them. This assessment is bolstered by the fact that of all the major donor countries of foreign aid, the U.S. contributes by far the lowest percentage of its national income for this purpose. Of this percentage, the lowest goes to Africa.

Africans have a variety of conceptual views of themselves and their institutions, many of which are in direct contrast to the conception of Africa held not only by the U.S.A. but by other high income countries. It seems incumbent upon the U.S.A., in its external relations with African countries to "drop the pose," and honestly and candidly assist them, particularly the leaders, to see themselves as others see them, avoiding both American and African ethnocentrism. USAID officials not infrequently achieve consensus on capital projects in the interest of diplomacy and convenience, when such agreements may run counter to

economic or realistic planning. This causes, in the long run, serious negative responses on the part of host governments who eventually discover the faultiness in USAID agreement to such projects particularly on a loan basis which involves resources which are in scarce supply in Africa. This runs the risk of weakening U.S. credibility, widens the rapport gap between U.S. technicians and host counterparts and reduces the willingness of host country officials to receptivity to innovative ideas. What is more, U.S. technical competence is placed in jeopardy.

Generally egalitarianism as a goal in African society is an espoused value. It is held by members of the elite. Yet, there exists a wide gap in social, political and economic status and participation in all the African countries between the elite, particularly the Western educated, urban, bureaucratic elite, and the masses of the rural agrarian, traditional-culture-oriented population. Communication between the two groups are generally weak from the top of the hierarchy down and, in most cases, virtually non-existent from the bottom up. Even in Liberia, which proclaims a positive official program of national integration of its total population, exhibits one of the most highly stratified societies on the continent.

There is a strong belief among some of the educated African elite that total Africanization of the mass media, of cultural activities and of education, good in itself, poses a danger and encourages an intensive ethnocentrism. This, in their view, can only retard real social and economic progress, impoverish African culture and not only limit but destroy the ultimate possibility of a fruitful relationship with the non-African world. This fear is strongest in the English speaking countries, less so in the French, but infrequent in North Africa.

There has begun to be a repugnance towards expatriates and technical assistance technicians who give what Africans consider undue importance to tribal groupings as a frame of reference in development planning. This sensitivity varies from country to country, is perhaps most pronounced in Liberia. Their convictions are that Western social scientists have engaged too much in a game of getting Africans "straightened out" and "classified" and as far as the U.S. is concerned only reflects its own notion and practice of first and second class citizenship in America. In Liberia cabinet officials and the President have been known to denounce anyone who engages in this "divisiveness" and subversion, citing a history of twenty years of positive and official amalgamation and integration of Liberia's peoples. A government official may be publicly censored if found reflecting views contrary to this official policy. So-called tribes in their view, and perhaps rightly so, is no more than a linguistic and ecological adjustment related to such historical factors as climate, agriculture and rainfall, area and technology. The concept of rural and urban areas is becoming to be the acceptable broad distinction for administrative purposes and the expectation is for foreigners to speak in terms of linguistic groups rather than tribes.

This does not mean that the notion of so-called tribalism does not exist; has not, historically, played an important role in African societies and is not recognized and identified as a reality by Africans themselves. For example, the linguistic clusterings and sub-cultures which emerge in urban areas as a result of migration from rural areas, provide the best means of introduction to a foreign environment, which possess strange ways to which the migrant is unaccustomed. The assimilation process is thus facilitated through the intimacy of the members of the group through institutions which have been introduced, e.g., familial, community, self-help and mutual aid.

Africa, of the three major LDC regions, feels most a sense of inferiority, a destructive loss of self esteem and an inability to bargain with the U.S. cooperatively in a spirit of joint, technical cooperation. This feeling is based mainly upon the relatively late entry of Africa into the development race, its low income economies as compared to the other LDC regions and a feeling that the continent is least favored as an area for U.S. financial involvement. There is a pre-occupation of African leaders with the notion of 'trade not aid' and a unanimous agreement that U.S. trade policy is inimical to their interests. They disagree with the U.S. assessment as to the relative value of aid and trade. Although most recognize that there is a reason for this policy, there is a conscious feeling that this might reflect on their image as a nation. The relative recency of their entrance into modernization efforts and in international affairs allows them to view this subordinate position more critically than other LDC's and this results in a peculiar superior-inferior complex which tends to distort the technical cooperation relationship.

#### Economic-Technological

There is the view that most of the leaders in African governments are not anxious to see a business class of Africans emerge. African elite, generally, particularly the Western educated, are pre-occupied with social status, which they choose to achieve chiefly through political office, jobs in the civil service and through the professions. Generally they feel that the growth of a significant entrepreneurial class will challenge their relatively protected status. This thinking is widespread, particularly in the newly independent states, and is associated with the more socialistic, anti-capitalistic notion of political power. This elite is almost completely urban, given to modernity in fashion and style of life and generally (with rare exceptions), pay little attention to the need for popular democracy and the inclusion of among the masses of society in decision-making. On the other hand, Africanization of what businesses do exist is highly important. Particularly in countries in which the free enterprise system is politically acceptable this Africanization is usually directed towards the employment of Africans high up the scale of the managerial hierarchy and on policy-making boards.

Generally, the countries in Africa with which the U.S. maintains bilateral and regional development assistance are at the lowest end of modernization scale of the LDC's. It seems clear that the strategy employed by AID and the instruments utilized for African development should be those which reflect a higher index of tutelage of personnel and of institutions. This indicates that the U.S. should be highly selective of its technical and development specialists. It might also indicate that the validity of the conventional counterpart system in development assistance, may be subject to reappraisal. Since this may provide the most efficient and sustained method of developing a broad spectrum of capable specialists and technicians. (For reasons experienced, some of which are stated above, the African LDC's are least able among all LDC's to absorb this kind of technical assistance). It is likely that the OPEX-type technician who performs operational tasks without the requirement of qualified counterparts, when such personnel do not exist, will assist in developing the technical requirements of institution building in a much more capable manner in the long run, than relying upon host country counterpart activity to replace him "in the short run". This approach might inhibit and delay the capacity of the LDC's, temporarily to develop skills and capabilities at the rate that they might desire. On the other hand, as the flow of graduates of secondary and technical schools rises, the communities will possess a larger percentage of capable persons whose basic equipment can cope more effectively with technical assistance-counterpart arrangements.

It is generally true that in the African LDC's, university education forms the basis of widening the gap between a small elite possessing it and the masses. AID is usually asked to support university expansion. The goals of Title IX would seem to be more greatly enhanced in supporting elementary but more particularly secondary and technical education. The Congo may be an exception where university education for Congolese was practically non-existent before independence.

The Asians in East Africa, and, to a lesser extent, the Levantines in West Africa have been largely responsible, through their private enterprise, to establish modern forms of distribution and entrepreneurship, particularly in the rural areas. This virtual monopoly has been resented and has resulted in a movement, at least expressed and tied to national politics, for Africanization of these services. It is recognized that Africans neither possess the background or knowledge or willingness to exert the energy to take over these enterprises. It is not easy or is it possible to "teach" entrepreneurship in a classroom. As compared with the Africans, the Levantines and Asians in Africa grow into such skills and knowledges from childhood to adulthood, since such enterprises are not infrequently family oriented and controlled.

AID's involvement in these relationships has been peripheral. However, called upon to advise, AID missions might find that these "expatriate" entrepreneurs, many of whom are native born in the

various countries, contribute substantially to development, assist greatly in the success of large private enterprise, chiefly the foreign owned concessions, and that their abrupt, forced departure might play havoc to development prospects. The issue is one of nationalism, Africanization and ultimate development. However, any attempt at its resolution must bear in mind the impact which it will have in the modernization process, political, economic and social and devise the pace and circumstances which will result in purposeful development.

- Programs in rural transformation (agriculture, public health, public works, education, literacy) and the development of rural schools would appear to possess instrumental leverages in pursuing and encouraging Title IX objectives. Such integrated programs, involving the participation of the development ministries on a coordinated bases, when supported by the government by adequate manpower and other resources, nourish Title IX objectives. They usually employ local leadership, local institutions and local manpower and resources. AID's use of such approaches in development might find more ready response than a positive thrust and design to "build up the country's agriculture", no matter how much this need is realistic and desirable. AID's pre-occupation in viewing agriculture as the road by which Africa should develop not infrequently is met with suspicions of the desire to keep Africans on the farm and neglect the potential and prospects of industrialization. Even the prospect of mechanization of agriculture runs in the face of large manpower resources, much of which is untapped and underutilized.

Such programs in rural transformation are best institutionalized, that is, tied to some existing or potential (and respected) institutional pattern, in order that its growth and continuity will have a lasting significance and contribute to wide spectrum of popular participation and improvement in the levels of living.

In most of the LDC's in Africa, the modernizing economic institutions are in competition with the transitional economic institutions, e.g., the family, folk groups, and village, in which the masses continue to participate. Such participation ("familial" Title IX) "dies hard" since such folk institutions provide the only known means of security, mutual help, and social identification. The extended family usually embraces three generations of collateral relatives and the transition to a modern nuclear family, limited to husband, wife and children which seems to result in the modernizing process creates tensions which have to be dealt with and resolved prior to the expectation of the achievement of Title IX goals. This implies a cautious move in utilizing new and modernizing economic institutions as instruments for Title IX objectives.

#### AID Obstacles to be Overcome

The conference has concentrated on the kind of strategy and tactic on the part of the U.S. in implementing Title IX goals, and the manner in

which such factors as the selection and use of AID instruments, foreign policy implications, central-local government relationships and governmental organization, affect political and social development. Also of particular concern has been the nature of leverage or influence which the AID program may employ in the attempt to achieve the institutionalization of popular participation and political and social development in the LDC's.

The discussions above have centered on some of the issues and limitations existing in Africa which affect the implementation of AID's foreign assistance program. A few of these limitations could easily be applicable to LDC's in other regions. Generally, however, they not only apply to a more substantial degree in Africa but a large proportion of them are applicable more exclusively to Africa, particularly Africa south of the Sahara. The issues are divided into political-governmental, socio-psychological, and economic-technological for the sake of convenience. However, it will be readily observed that all of the issues have their political, economic and social implications. Underlying the nature of the issues are the implications for Title IX implementation. Not only are there factors which limit and condition the pursuance of Title IX goals in the African LDC's, but there are a few obstacles which the Agency will have to overcome within its own organization in order to deal effectively with Africa.

The degree of confidence which the Agency receives from African leaders is not only dependent upon U.S. foreign policy as it is interpreted in Africa, the extent and nature of assistance given and the technical capability of technicians. What bi-lateral leverage or influence succeeds depends upon what each side thinks it will get out of the bargain, e.g., political favors in exchange for material resources. This is Africa's view.

On the other hand, there exists in Africa, albeit more than in the rest of the LDC's, a criterion which, depending upon the circumstances, may help limit, distort or condition any aid program. This criterion is related to American race relations and the manner in which Africa views the United States in this regard. A discussion of this issue in its totality would be beyond the scope of this brief paper. Nor can AID solve this national problem. It suffices to say that, unlike in the other LDC's, Title IX goals will operate against the backdrop of Africa's notion of the achievement (or lack of it) of democratic institutions, national integration and popular participation among America's total population. If it is true, as Secretary of State Rusk has asserted, that racial discrimination at home is "the biggest single burden that we carry on our backs in our foreign relations in the 1960's," then it might prove realistic that the implementation of Title IX in Africa should begin with a strategy which recognizes this basic fact. There are some African leaders who aim to be solicitous and friendly to the U.S., whenever this issue is raised in official councils, by citing the recent progress in this area and the fact that the U.S. is in advance of the Union of South Africa in achieving social and political equality. Still, this is more of a diplomatic gesture than a genuine conviction.

The point at issue here is the fact that friendly Africans are by far more knowledgeable regarding the pros and cons of this issue than the large majority of U.S. white, direct hire or contract personnel overseas. It is incredibly and unfortunately true, that African leaders and governmental and non-governmental elite are frequently more knowledgeable on the legal and constitutional issues which relate to U.S. race relations, the role and identity of the leadership, all of which are of central concern to Africa, than American official and unofficial personnel overseas. Ask the average white American working in Africa (or elsewhere overseas) with whom host country nationals have to deal, to identify the significance or importance of Mayor Allen of Atlanta, Medgar Evers, CORE, Daisy Bates, Southern Christian Conference, Brown vs. Board of Education and one would be astonished at the result. Nor do some care. Yet it is with such American personnel that Africans deal daily and respond to their knowledge in these matters, their behavior, and their attitudes and sensitivity in cross-cultural relations. It is usually through the American technician, with whom they work face to face, that the Africans interpret American attitudes and perceive the sincerity of the U.S. in achieving a democratic world free of injustice (in which the goals of Title IX as we understand them can be achieved). For these reasons, it is incumbent upon the Agency not only to recognize the importance of orientation, but provide action programs to help to achieve a more successful foreign assistance program in Africa. Some attempt has been made by AID at orientation of American technicians going to Africa, but with a heavy anthropological bias, this kind of training could be expanded to include the following:

Foremost, re-examine its methods of recruiting personnel to be sent to Africa, who by their competence, cross-cultural orientation and willingness and ability to understand why Africa and Africans are as they are, can achieve the maximum of rapport in the shortest possible time. Only Americans who are willing to undergo this discipline should be sent to Africa. This applies not only to AID's direct hire personnel but contract and OPEX employees. The kind of orientation needed, particularly for middle level and senior personnel, is far different in many respects from that given personnel to be sent to Asia or Latin America in this respect. Important among the information needed for purposeful relations with African leaders and host colleagues and regarding which U.S. personnel should be conversant are:

U.S. foreign policy, particularly as it refers to Africa.

The forces and factors, i.e., divergent and constitutional systems, conflict of economic interests, ethnic, territorial, aspirational, foreign policy which determine federation and grouping of African nations.

Africa's role in the U.N.; the working relationships of African countries with such organizations as the Economic Commission for Africa, the African Development Bank and the Organization for African Unity. The role which Africa seeks to play in world affairs.

- . Areas of national and personal tension and sensitivity in the country to which they are sent; the country's foreign policy.
- . U.S. racial policies; general information on the history of federal and state action in the field of race relations; particularly significant legislation; the role of the Supreme Court, the Presidency and the Congress, in the last quarter century in the field of civil rights; the protest movement and national response; the historical economic, social and political factors which determine differentiation and stratification in America. (Since there is a pattern of discrimination in every country) how these factors distinguish American inter-ethnic relations from similar situations in Europe, Asia and Africa.
- . The ideological, strategic, practical, and humanitarian bases for foreign aid; the "self-help" and "good performance" criteria. How Africa differs in this respect and why. The meaning of African socialism; the reasons for African one-party states and the rise of the military.
- . The issues involved in Africa's search for identity. What is meant by "Negritude" and "the African Personality."
- . Tensions to be expected in the transfer and adaptation of skills and "Western" technology; the pace and circumstances involved in the modernization effort. Related to this would be country-by-country research on the type of instruments most potentially suitable for the purpose of technical assistance in the several functional areas and why.

The list could be continued indefinitely. To be sure, much of this information is learned by foreign service personnel while in the service, but it is interesting to note that so much of it is unknown to an appreciable number of U.S. bi-lateral specialists overseas. So many Americans feel that their technical skill is needed in Africa and this is why they are there. Furthermore the usual urgency to "get a man in the field" minimizes the possibility of much pre-orientation. Since Africa is farthest away as a region among the LDC's in achieving the goals of Title IX, it is incumbent upon the U.S. to begin to help create at least an atmosphere of receptivity in which the slow and long-range effects of a Title IX program can be envisaged. Without an understanding of the social and political internal developments in Africa, one cannot understand the "African Personality" as the Africans term it and the role Africa seeks to play in world affairs, prerequisites for any AID personnel who would seek to encourage African nations along the goals of Title IX.

~~LEADS WORKING GROUP~~

# APPENDIX-A

Final Report  
July 19, 1968

## Catalogue

### A. Program of Instruments

The U.S.

It seems likely that the balance of the century will find ~~struggling~~ struggling with three major internal <sup>personal</sup> concerns *in the development business.*

1. stability and security to provide a climate for
2. growth to provide the means for modernization and distribution and
3. spreading the base for a popular, participative democracy.

AID and other arms of U.S. foreign policy are now focused rather completely on these first two problem areas: stability and growth. If stability and growth are to become continuing features of *development,* ~~Brazil,~~ *Brazil,* great segments of its <sup>major</sup> basic resource, people, must be moved into take effective participation <sup>of</sup> the fruits of development, the decision-making processes of government and <sup>become</sup> meaningful contributors to growth in economic, social and political parameters. *They must help Japan, help accomplish*

A program of instruments to assist in ~~helping~~ *helping* Brazil accomplish <sup>ing</sup> all three of ~~its~~ <sup>those</sup> priority domestic problems would include many of the items listed below:

#### TITLE IX

<u>Instruments</u>	<u>Uses</u>
<u>A.I.D.</u>	<u>Civic Ed. &amp; Trg. for Dem. Processes</u>
Technical Assistance	Youth & Student Programs
Unstructured - ad hoc	Labor Union <del>assist</del>
Projects - Technicians	Farmers Federation
" - Participants	Trade Associations
" - Commodities	Co-ops
Grant Aid	Community Development
Special Development Assistance Fund	Other leadership potential <i>and simple</i>
Loans Project	<del>subject to grant groups</del>
" Sector	<i>training in the basics of organizing and running small groups such as P.T.A.s.</i>
" Program	

*and both share in...*

Instruments  
~~A.I.D.~~

Uses  
Civic Ed. & Trg. for Dem. Processes

A.I.D.

PL 480 - food for work  
local currency proceeds

Surplus property  
The ~~AID~~ Mission (considered as  
the AID mechanism for  
carrying out the job)

Diplomacy (at all levels)

Cultural Affairs

U.S.I.S.

Peace Corps

C.I.A.

DOD

Non-governmental Agencies  
(maybe govt. supported)

Churches

Foundations

Profit *including research and management consulting firms*

Non-Profit *including universities,*

*Labor unions, co-operatives,*  
*Trade associations, professional associations, etc.*

Participation

Community Development, rural/urban  
Co-operatives, rural/urban  
Labor unions  
Farmer Federations  
Trade Assn. *associations*  
Local self-govt. *government*  
Civic action

Infrastructure

Development Administration  
Devolution of authority *responsibility*  
Provincial & Municipal self-  
government

Legal *training*

Judiciary *improvement*

Legislative *function* *assistance*

Assist. *to* special areas: -  
Geographic regions  
Functional agencies-water

Literacy programs

Communications

Programs & tools

Civic Action

Business - development consortia

~~Any program formulated outside the country will suffer from a~~  
great many limitations. Hence this paper will be viewed as illustrative.  
Review of the recent 40 years of Brazil's history suggests the urgency  
of national integration, popular participation, and more equitable  
distribution. Brazil appears to have achieved a reasonable level of  
national identity and to have penetrated to its remote areas though  
not evenly. Title IX does not give carte blanche to the achievement

Paulson  
Cool 7/24

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of all political participation objectives. It is concerned with: popular participation through the encouragement of democratic and local institutions. AID must recognize country differences support training and education in democratic processes, and use the intellectual resources of these countries in the processes of development. Participation is defined to include sharing in decision-making, implementation and sharing in the benefits of growth.

Present levels of expertise, organization skills and funds preclude a massive shift in emphasis in the AID program in Brazil. It does call for an intensive Country Team review of the U.S. programs in Title IX parameters, re-orientation of existing programs to emphasize Title IX components and the start-up of new Title IX activities. In other words, what portions of continuing or new activities relate directly to participation?

A program with the Title IX dimension would include:

1. Increased emphasis on national literacy campaign to facilitate modernization process and bring disenfranchised 50% of adult population into the electorate. Educational satellite and TV complex for Brazil would provide excellent tool for this and other educational-development purposes.
2. Continued emphasis on development of local self-government through water system loans, education loans and other tie-in project and program conditions to facilitate the spread and growth of local power to cope with development problems at all levels of government. Additional ad hoc or provincial programs to stimulate developments of local village level self-government might be encouraged through ecommunity development projects, food-for-work or Special Development Assistance Funds.
3. Expand the present meagre beginnings in assisting in legal education. Initiate technical assistance where requested in the administration of the judiciary and the administration of the processes of the legislatures, state or national.

4. Employment and agrarian reform are two prime areas for consideration in the distributive aspects of participation. These have been receiving attention under previous and more narrow economic development guidelines and should be reinforced by the requirements of Title IX. No new approaches are ~~not~~ suggested, earlier efforts may be coming to fruition and should be encouraged.
5. The business of government, effective administration, would also be a continuing concern under Title IX guidelines.
6. A regime with a strong military overcast logically suggests the addition of civic action and civic education and training programs. These have been disappointing in most places where they have been carried out except as short-run expedients in the process of converting military men to civilians with incidental benefits to the civilian populace in the process. The military operations run so completely counter to the basic role of the services as to call for a kind of schizoid personality for truly effective duality of roles. However, in the absence of other effective administrative agencies, the military might be used to help build roads, teach literacy and so on, but strictly as a short-run expedient pending the build-up of civilian capabilities and institutions.
7. The roles of non-governmental agencies and multilateral organizations is one of great potential assistance in the Title IX effort. An analysis and cataloguing of their efforts in assisting development is the initial point of contact (even though the Brazilian planning office does this officially). An informal canvass of resources and cataloguing of effort pointed to the whole development process will enable the U.S. to help guide others into activities which it, for lack of resources, opportunity or propriety might leave undone.

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The prime tool in all of this is diplomacy -- the uses of sensitive, tactful negotiations and relations at all levels and in all areas. We will not be helpful unless we are clearly working on problems in areas of great concern to the Brazilians and where they express a clear and urgent request for assistance. (One works on activities Brazilians are interested in after we may have helped them to become interested.) The coercive aspects of "conditions precedent" to loans and grants are also part of the diplomatic puzzle. They must be made as palatable as possible, consistent with the achievement of real progress in the priority target areas: stability, growth and participation.

Func Groups - START

Topic: Organizational meeting; sub-group  
organization, nature of final  
report, Friday agenda  
Presentation: Lucian Pye  
Rapporteurs: Karl Jackson and Gary Maybarduk

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The outcome of the sub-committee on functional groups was presented and debated. David Bayley presented a competing proposal, much discussion ensued, but a decision was not taken at this time.

Everett Hagen presented the following alternative way of dividing the conference into groups:

- I. Vehicles of aid
  - a. aid to non-governmental organizations
  - b. programs specifically designed to implement Title IX
  - c. other aid programs
- II. Effects of aid upon:
  - a. participation and power diffusion
  - b. participation and stability
- III. the possible adverse effects on Title IX

All groups should consider how AID operations and training might be re-organized in relation to the change of emphasis entailed by Title IX.

It was suggested that the conference was not ready to be divided into permanent functional groups at this time. Instead the conference should be divided into sub-groups to continue the discussion of the basic aspects and implications of Title IX. Only after these discussions should the conference be broken into functional groups.

Lester Gordon stated that the sense of the plenary session indicated that there were the following three levels of concern:

1. tools for the implementation of Title IX
2. goals to be sought by Title IX
3. considerations of feasibility

All five panels should concern themselves with developing both dynamic hypotheses and indices on the topics under consideration.

Montgomery's previously distributed typology was discussed. He suggested that the functional groups should include consideration of institutionalization, participation, legitimacy, integration, and empathy for innovation.

II. The Use of Foreign Aid Instruments for Achieving Title IX Objectives (including "political development")

(Montgomery)

This group will examine the application of the principal foreign aid tools of technical aid, food and commodity supplies, capital assistance, project, sector, and program lending to various developmental programs of government in order to explore how the various sectors (agriculture, health, public works, industry, education, etc.) can be "managed" to maximize Title IX results (including "political development").

Sample questions: How can the administration of government development programs maximize participation? How can national development bureaucracies be made responsive to political demands of local interests (especially as articulated through village, district, and provincial governments)? How can professional advisors in the various subject matter areas select developmental projects for support on the basis of their Title IX (including "political development") promise? How can they influence the management of government programs to further the objectives of Title IX? What economic (fiscal, monetary, trade, and other) policy (legislative and administrative desiderata) should be emphasized, and how should they be shaped, in terms of Title IX?

Programs in  
admin + pts  
rel to IX

P.S. rule of law

(II + I)  
w/ 4/20/67 -4

III. Participation, Power, and the Individual (Cool)

This group will focus upon the range of issues arising from the concept of participation. It might attempt to evolve a typology for various kinds of participation and to formulate one or more hypotheses regarding possible relationships between participation, the diffusion of control over resources, the diffusion of power and the process of political modernization:

Sample Questions

Is participation a value in and of itself? Is it an end or a means to an end? If an end, what is the end? What assumptions underlie the view that participation is a means to something else? Can the individual's perception of himself and of his ability to effect meaningful control over his environment be altered through participation? What are the variables which affect participation? What are useful indicators of participation of various types? What are the broader political consequences of involvement in local government, community development, cooperative and other populist endeavors likely to be?

In sum, what is participation, how is it measured, how stimulated, and under what circumstances is it likely to matter?

(III + IV)  
of Sample -1-  
-2-  
-3-

IV. U.S. and A.I.D. Approaches to Optimizing Participation in the Benefits of Economic, Social and Political Change and Progress

(Lion)

This group would study questions relating to the relevance of 'benefit participation' to "political development", as well as to economic and social modernization and would include in its consideration the relationship of 'benefit participation' to aspects of national integration. Types of projects, activities, programs and policy directions to achieve 'benefit participation' would be identified.

Sample Questions:

How is wider 'benefit participation' relevant to political, economic, and social development? In what situations is the reduction in disparities among country regions, sectors, classes, etc., important to one or more of LDC and USG development objectives? What are the trade-offs between "distributive justice" and macro-economic or other objectives? What economic, social, or geographic sectors present targets of opportunity for 'benefit participation' objectives? Is rural and/or urban job creation a promising program target -- with what costs -- for enlarging 'benefit participation'?

welfare function

(IV + III)

ref. Obyed 1-  
2-  
3-

V. Development, Participation and Stability

*(Burtano)*

This group should consider the seeming contradiction between the Title IX policy of increased participation and the goal of stability in the political system. Increased participation will predicably lead to internal conflict and tensions in some cases, as well as create the desired atmosphere for social change, innovation and political and economic development.

What are the tolerable levels of instability or of non-participation in terms of U.S. foreign policy objectives? How do we take into account and prepare for the short-run destabilizing effects of political and economic development and what are the tolerable and acceptable limits of this deliberately created instability?

Conversely, how do short-run stability assistance programs such as civilian and military internal security efforts affect medium and long term political and economic development possibilities? What groups are benefitted and which are injured by policies and programs designed to dampen down too rapid and violent change in a society? What criteria can be used to help U.S. policy makers decide whether and when our stability assistance techniques are needed (i.e. how much revolution can we accept?)

How can we use the influence and leverage available through this assistance to cause a purposive policy of reform and creative political action as an antidote to revolutionary conditions? How can we be forewarned about or measure situations in which revolution is or may be developing?

What economic, social and political indicators can be useful in measuring the extent of participation or non-participation, stability or instability?

VI. A. Evaluation of Pre-Amendment Title IX Activities (Kwan)

Approach, Activities, and Techniques of Title IX Action

What is the proper evaluation of A.I.D.'s past activities which were directed toward objectives now encompassed by Title IX? A.I.D. has done much in the past (before 1966) which would meet Title IX objectives. This experience needs to be appraised and put into context both to guide future action and avoid possible disillusionment. The group should seek to make such an appraisal and attempt to put the experience into perspective.

Sample Questions

What have been the unintended Title IX consequences of conventional A.I.D. activities? What conclusion can be drawn from previous I.C.A.-A.I.D. activities intended to encourage participation, strengthen local government, and vitalize commercial and other voluntary associations that would be relevant to Title IX objectives?

B. Implications of Title IX for Continuation of Foreign Assistance

If Title IX results are an important component of basic U.S. objectives abroad, it follows that it should influence the location, kind, size, and duration of programs the A.I.D. Agency will carry out in the future.

Sample Questions

How should Title IX influence the criteria used to determine the importance of particular country programs and how long they will be maintained? Should assistance programs be kept in being even after our economic objectives (e.g., the achievement of capacity for self-sustaining growth) are reached in order to achieve Title IX objectives?

## ALTERNATIVE FUNCTIONAL GROUP SCHEME

(Ref: Sub-committee report June 26)

David Bayley  
June 27, 1968

In discussing Title IX the conference is confronted with an assortment of disparate issues; some are issues of fact (what does Congress want from Title IX?), some are issues of empirical analysis (can greater popular participation in governmental decision making be achieved in countries of type X with current AID instruments f,g,h?), and some are issues of value (in country Z should objectives of greater social justice or containment of communism predominate?). It is important that the conference treat all these issues, but do so in an orderly and coherent fashion, noting explicitly at each step the kind of issue it is taking up and the extent to which the conference is in a position to arrive at conclusions or suggest solutions. The functional working groups should, therefore, be founded upon a rationale that specifies the manageability of each group's topic and the relation of each topic to those of other groups. Realizing that a pie may be sliced in many ways, I present the following scheme for the consideration of the conference.

I suggest that there are three very different types of concerns involved in considering Title IX.

FIRST: Given an array of AID instruments for affecting life in foreign countries, what political objectives can reasonably be achieved over how long a period of time in countries exhibiting what specifiable sets of characteristics? This is the issue of empirical feasibility of doing something with means in hand.

The Congress will have in mind political states of affairs reflecting American values and processes. Let us shamelessly face up to this bias and examine the feasibility of utilizing AID to move foreign societies toward creating or preserving the following political conditions:

Panel 1: a diffusion of political power and wider, more extensive popular participation in government;

Panel 2: a wider measure of distributive justice, especially with respect to the things of the world;

Panel 3: orderly, merit-based, performance-centered processes of government.

I recommend also the establishment of another panel--Panel 4--to inventory the range of instrumentalities through which AID might act.

## Alternative Functional Group Scheme 2

SECOND: The second major topic which has surfaced in the conference concerns the appropriateness of doing anything under Title IX, no matter how practical a scheme may appear. In short, what other considerations must be weighed in deciding to adopt a policy of achieving a particular political goal under Title IX. The panels under this heading will be concerned with normative questions.

I might add parenthetically that I believe the separation of normative from empirical issues is valuable in the conference. One hardly need spend time discussing whether the U.S. should seek to achieve political objective Y in country B if we haven't the capacity to do so. Similarly, one should not reason that because something can be done, it should be done, unless one has examined the costs (and ancillary benefits) of doing that thing.

I suggest 2 panels under this heading:

Panel (5): to examine the interrelationships among the political goals provisionally set forth under part 1 and other desirable foreign policy objectives of the U.S., such as rapid economic growth, compliant alliance partners, anti-Communist "bastions", etc.

*U.S. + road  
U.S. Bank of Br.*

Panel (6): to inventory and briefly explore the range of "other" (i.e. non-political) considerations which would be affected by adopting a policy of seeking to achieve a particular political state in a foreign country. Our discussion so far has discovered the following: Congressional wishes, relations within the U.S. Government, and relations with host countries. There are undoubtedly many other areas of impact of Title IX initiative which policy-makers should be alerted to.

THIRD: Once the conference knows what AID might practically do and what considerations make up the cost-benefit equation of Title IX policy, it must examine what impact upon the AID organization itself are minimally contained in Title IX initiatives. What would AID be required to do with respect to recruitment, training, organization, evaluation and so forth? This working-group (Panel (7)) would not begin its deliberations until the 5th week, when the other groups had made provisional reports of their work. Indeed, the personnel of Panel 7 would be taken from the other 6 panels.

DIVISION OF RESPONSIBILITIES ON TITLE IX

<u>TITLE IX</u> <u>FUNCTIONS</u>	<u>STATE</u>	<u>AID</u>	<u>PEACE</u> <u>CIA/DOD/CORPS/USIA/etc</u>
Analysis			
Policy Formulation			
Strategy Design			
Activity )			
Program )Design			
Project )			
Implementation			
Negotiation			
Evaluation			
Budgeting			

## ALTERNATIVE FUNCTIONAL GROUP SCHEME

### (Some Further) Suggestions

for

### Sub-Group Organization

Princeton Lyman

June 28, 1968

I think we can divide the conference into functional sub-groups most effectively if we organize one set of sub-groups in terms of specific goals of Title IX, and for each of these goals (i.e., each sub-group) consider the definitional, operational, and evaluative aspects for AID. With David Bayley, I feel that we can identify from our discussion so far certain goals intended or implied in Title IX. The sub-groups, and later the conference as a whole, will continue to evaluate and refine further these goals as we proceed. So we need not fear too much that we have begged some of the questions of the conference by concreting the goals at this point.

This approach, as shown below, also avoids splitting too far from each other the conceptual and operational analyses, as was implied in some of the earlier proposals (e.g., with one sub-group defining "participation," another examining AID instrumentalities for achieving Title IX objectives). The disadvantage of this approach of course is that each sub-group must be rather comprehensive in skills. But by begging, borrowing, and informal interchange--as well as full conference review of the results--we should overcome this problem.

If this approach is acceptable, I would propose a three-part approach similar to David Bayley's.

I. One set of sub-groups would be divided according to specific goals. I will not attempt to spell these goals out here, but they should be drawn up to cover the spectrum of three main objectives--from the more purely political to the more purely economic--which we have identified in Title IX: (1) development and strengthening of political or semi-political institutions, both government and private, which do not necessarily relate directly to economic development objectives but which do contribute to political development (Bayley, Hilliker); (2) increasing popular participation in the various facets of national development, economic, social and political, as most practical, in order to promote societies which fit better into the compatible international milieu the U.S. seeks (e.g., societies less aggressive and unstable (Bernstein)); (3) maximizing participation in the economic development process in order to improve the effectiveness and the quality of the already existing economic development objective (Hagen).

(Some Further) Suggestions for Sub-Group Organization-2

Princeton Lyman  
June 28, 1968

Specific goals will contribute to one or more of these objectives. For example, one goal may be the development of better governmental capacity for integration and administration. This would meet some parts of the first objective and perhaps some of the other two. And so on. This does not mean that some of the goals will not be in competition with each other or even incompatible (see Section II below).

For each goal, the particular sub-group should be asked to examine:

1. Further definition of that goal
2. Techniques, etc. by which it can be identified, evaluated and measured in a country
3. AID instrumentalities which might promote it, including how they might do so
4. Non-Governmental U.S. or international instrumentalities which might promote it, etc.
5. A critical evaluation of the feasibility of AID making a meaningful or significant contribution to the goal

II. Because the above approach looks at the several goals individually, another panel (analogous to Bayley's panel 5) must look at all the goals so identified and discuss them in terms of mutual compatibility, relationship to other U.S. foreign policy objectives, etc. In other words, this panel will seek to identify and clarify a usable and workable definition of the scope of Title IX and the problems it entails. Here, too, some country typologies might be identified so as to clarify where Title IX objectives will likely be more, where less feasible.

III. One other panel (Bayley's 7) must be established later to take the conclusions of the others and spell out the implications for AID in terms of organization, training, staffing, working relations with other agencies (public and private), etc.

Everett Hagen  
4 July 1968  
Ref: Functional  
Groups

Issue: How Should A Typology of Characteristics Guide A.I.D.  
Title IX Activities?

(For discussion by Pre-Functional Group No. 2)

For lack of time and intellect, the piece below does not present such a typology. It merely argues for the inclusion as relevant "characteristics" or some conditions sometimes omitted from the list. Preparation of a typology and comment on its use may be a task for a functional group.

United States governmental action or policies toward any country may further United States interests in at least five ways: (1) by inducing the country (through influence or leverage) to adopt a stance or take actions that will further U.S. objectives with respect to other countries; (2) by modifying the values and attitudes of people in the country so that they approve of U.S. actions to an increased degree and hence support us in various ways; (3) by modifying their factual perceptions of United States purposes and policies to the same end; (4) by modifying their values and attitudes so that they approve in increased degree the actions and policies of a government in power in their country which is friendly to the United States; and (5) by modifying their factual perceptions of their government's purposes and actions to the same end. The two modifications of factual perceptions are likely to be brought about in greater degree by modifications of the facts that are perceived than by "education," though of course improved understanding of the reasons for actions may also change perceptions of the motives of governments. A modified factual perception concerning the United States, namely a perception that it is less hostile to or more respectful of the desires and purposes of a given people, may be brought about by U.S. indication of respect for the rights and purposes of a government that is not friendly to the United States.

Activities by A.I.D. aimed at furthering Title IX objectives may fall under means types (2), (3), (4), or (5) above, and even inducing a government to be more democratic may further U.S. objectives in other countries by improving our image in other countries. We sometimes talk of Title IX as mainly encompassing changes in individuals' values and attitudes, but changes in the facts they perceive may be as important.

The circumstances prevailing in any country determine what type of action consistent with Title IX, if any, will best serve our objectives. Among the circumstances often mentioned as affecting the A.I.D. policies that will be optimum are the receptivity of the host government to the activities, the congruence or lack of congruence of U.S. and host country goals, the political structure of the country, and its administrative structure. Increasing national integration, increasing the legitimacy of the government, etc. are often stated as goals of Title IX activities. I would like to consider the

degree of integration, the degree of legitimacy of the government, and the prevailing degree of participation by the people, in a different light, namely as circumstances affecting the Title IX-oriented A.I.D. policies that will be optimum.

Certain acts that further Title IX objectives can be obtained from a host government leverage. Thus to obtain money for a certain project that government may agree to enact legal provision for local participation. In such cases, congruence of goals is not directly relevant if the leverage can be exerted. It matters only insofar as the pressure exerted affects other relationships with the government and insofar as resistance can nullify the legal provision. Congruence of goals in a broader sense--that the government is aligned with the U.S. in international diplomatic matters--does not seem closely relevant to Title IX-oriented activities except as it affects receptivity.

Receptivity does not necessarily imply identity of goals. A host government may be receptive to an administrative organization for a given project involving wide popular participation because it believes that it will thereby get more credit for the project, whereas the United States may desire such administration for Title IX purposes. The lack of identity of goals is irrelevant.

The political structure of a country may vary along several dimensions: from highly authoritarian to fully representative; from well structured to chaotic; etc. If the political structure is "competitive," the competition may be among oligarchic ethnic leaders, or among modern interest groups, or among other groups. The administrative structure may vary from highly dictatorial to service-rendering; from highly centralized to highly decentralized; from efficient to inefficient; etc.

Title IX-oriented activities must be guided not only by whether each of these circumstances exists, but in conjunction with this fact, by whether the people of the country find the circumstance satisfying (which they may of any of these circumstances except probably non-service-oriented administration and perhaps administration that is inefficient in a certain sense). The attitude of a people toward the existing political or administrative structure should be judged empirically; it cannot be assumed that a centralized and authoritarian government is unsatisfying. Hence the goal of "more democracy" or "political development" does not invariably apply. Similarly, greater participation of some types may be embarrassing or anxiety creating.

Moreover, if a country is not integrated, this may be because the people think integration would oppress rather than serve them (cf. Nigeria). If so, the U.S. should not attempt to further integration. (Of course if there are no strong antipathies, measures to improve transport and communication will

Everett Hagen  
4 July 1968  
Ref: Functional  
Groups

Page 3

further integration, and are desirable.) If a government is not regarded as legitimate, it is possible that our Title IX activities may better be aimed at changes that will press the government to change its ways that at influencing the people.

A general point here is that the circumstances that should be taken into account in any typology intended to provide guide lines for A.I.D. action should include the nature of the domestic policies of the government in question. Inclusion of only structural or procedural or "state of development" conditions in the typology is likely to provide a play without the prince.

Consideration of the implications of these and other characteristics of various countries should be a task of one or two functional groups.

Everett Hagen  
4 July 1968  
Ref: Functional Groups

ISSUE: What is the directive laid down in Title IX? (Draft of a proposed statement)

\*\*\*\*\*

A fairly literal interpretation indicates a broad directive as follows:

To place increased emphasis "on assuring maximum participation in the task of economic development, through the encouragement of democratic private and local governmental institutions"

To utilize the "intellectual resources" of host countries, "so as to encourage the development of indigenous institutions"

To support programs in "civic education and training in skills required for effective participation in governmental and political processes essential to self-government", and,

In carrying out these injunctions, to take into account the "differing needs, desires, and capacities of the people of the respective developing countries".

In short, the Title directs AID to aim, both in the selection of programs and in designing the planning and execution of programs that are selected to aim at maximum feasible popular participation.

The legislative history makes clear that "participation" shall be taken to mean participation in the planning and execution of economic development programs and projects (and, by extension, in their benefits), in political processes, and in private organizations in which people cooperate. The Title enjoins AID to seek to arrange such participation in ways that will use local intellectual talents as fully as possible, and to support programs that will increase those talents. But the last provision summarized above makes clear that the Title does not demand impossible results (such as introducing political democracy everywhere in the short run) but instead commands recognition of national differences.

We recommend that the ~~definition of Title IX shall not be assigned to a functional group, but rather that "Manual Order: Title IX" shall be accepted as stating the definition of Title IX. While some language in that Manual Order can be construed as commanding the achievement of changes which can in fact be achieved only by the host government and by progressive social change, we believe that in context the language of the Manual Order is consistent with the statement above.~~

In this interpretation, the goals of more effective government, more responsive government, more effective economic development, etc., are merely statements of the anticipated results of increased participation, but those statements enter into the definition in the sense that their acceptance as a framework should affect choices by AID from among alternatives.

July 3, 1968  
Kean Sub-Committee  
R.V. Bernhart

4) What is the validity of developing a typology of development problems which would serve as a guide for individual country strategies for Title IX? ~~✓~~

Suggested categories include: legitimizing national governments; help create a sense of national identity; facilitate penetration of the government to all sectors and areas of the country; assist in assuring optimum participation of the people in the processes of development; and, facilitate the distribution of the benefits and services to all the citizens of a country.

9) What are the instruments and techniques for helping to develop civic skills and training for democratic processes?

12) Should AID be restructured to reflect the needs of Title IX? Are there special implications for relations between the Congress and AID, State and AID, AID and the field missions, the field missions and the host government?

a) Need there be a special research program to help provide analytical tools for this new dimension of AID?

b) Should there be special training programs to equip (or sensitize AID personnel for the added dimension of Title IX?

14) Does Title IX pose a special problem for evaluation ~~✓~~ of programs including quantification and criteria for qualitative judgements?

15) Is there a need for a new 'rhetoric' to explain the program to the American people and 'sell' it to the Congress?

16) Should the long-long time frame required by Title IX activities ~~✓~~ be fully revealed to hold down expectations of dramatic results?

John Kean  
4 July 1968

Organizations and Instruments Needed to  
Achieve Title IX Objectives

1. Examine existing U.S.G. agencies (including State, Military, USIA and AID) and U.S. non-governmental organizations to determine whether their internal organizational arrangements and their inter-relationships are structured to make the best contribution to the achievement of Title IX objectives.
2. What new channels and additional U.S. non-government organizations need to be developed or newly brought to bear on the achievement of Title IX objectives (e.g. labor unions, chambers of commerce, associations, etc.)?
3. What kinds of overseas institutions (not associated with specific program activities) need to be encouraged (e.g. research and training organizations to work directly on Title IX-associated activities, new non-government and quasi-governmental organizations)?
4. In addition to the existing AID instruments, what new AID instruments, what existing or new U.S.G. agency activities need to be brought to bear on Title IX (e.g. civic action, mass media, non-AID training, Fulbright, etc.)?
5. What new research needs to be undertaken to improve our capacity to develop strategies (if any), design appropriate targets and actions to achieve them, establish benchmarks by which to measure achievement, and develop more significant means of determining progress toward objectives?

Grant Hilliker  
4 July 1968  
Kean Sub-Committee

## 6. The Foreign Policy Issue

A brief discussion of U.S. foreign policy themes may be useful as background for more detailed consideration of foreign assistance policy and operations, and particularly the problems of implementing Title IX. Decisions taken with respect to aid clearly have implications for the kind of goals we are emphasizing in general foreign policy at any time or place. As presented by Paul Seabury, these goals, or themes, may stress security, compatibility, equity or developmental instrumentality--or any combination of these.

Pursuit of Title IX objectives is not inconsistent with any of these goals. Each of them could be invoked in certain situations to support Title IX activities. The mix that will, in fact, apply in specific instances will depend upon both country situations and broader assessments and considerations of U.S. foreign policy. It is neither necessary nor profitable in this conference report to attempt to predict which general goals will dictate which application of Title IX activities in any conceivable set of circumstances. It is only necessary, perhaps, to warn that the use or non-use of Title IX emphasis in one situation or another should not be assumed to reflect a preference for any particular goal or combination of goals of general foreign policy.

MASTER

July 3, Afternoon

Meeting of Sub-Committee

Chairman: John Kean

Rapporteur: Claudia Moyno

The following issues were proposed for submittal to the functional groups:

1) How should Title IX be defined? What is the directive stated in Hagen Title IX?

2) The problem of developing a methodology of ~~systematization~~ of inter-country differences. This involves such questions of what kinds of typologies might be developed, or whether to develop country strategies instead of typologies. Hagen

3) Should there be a "grand strategy" of political development? Brabant

4) What is the validity of developing a typology of development problems (such as problems of national identity, legitimacy, penetration, distribution, etc.) which would serve as a guide for Title IX strategies? participation

5) Appraisal of <sup>instruments</sup> institutions or tools for Title IX.

6) The question of whether it is worthwhile to discuss foreign policy generally in order to put Title IX into that general perspective? Hollister

7) What instruments do we have for the pursuit of Title IX objectives? Kean  
This would include the following elements:

- 12 a) the range of organizations (i.e. A.I.D., STATE, etc.) and techniques (i.e. capital loans, technical assistance, etc.)
- 13 b) Private institutions in the U.S.
- c) Institutions in the less developed countries. How do we deal with such groups as trade unions, parties, etc.
- d) To what extent should Title IX objectives be pursued via specific programs and to what extent via the administration of all A.I.D. programs?

8) To what extent and how can we better utilize the intellectual resources of the recipient countries?

9) What are the techniques for helping to develop civic skills and attitudes? *RVB*

10) The whole problem of focusing attention on urban, metropolitan problems. The proposition is that this is the crucial area now, as compared to agricultural problems. This also involves consideration of possible linkages with U.S. domestic problems.

11) Consideration of the available indigenous base for expanded participation.

12) How should Title IX affect the organization of A.I.D. ? This would include such elements as: *RVB*

- a) future relationships between A.I.D.--Congress, A.I.D.--STATE, A.I.D./ Washington---the field missions, the A.I.D.Mission---the technician, etc.
- b) The need for research and training.
- c) the need to improve our analysis techniques.

13) The relationship of military civic action programs to Title IX objectives.

*research program*

14) The problem of evaluation and quantification of Title IX activities. *RVB*

This would include such elements as:

- a) The whole question of the kind of "rhetoric" needed to sell the program.
- b) The time dimension; i.e. the need to make it clear that Title IX is a long-range proposition. *RVB*

John - I consider this a very good list.  
 The only thing missing is the general  
 foreign policy setting (which could  
 come in under #15)

July 3, 1968  
 Kean Sub-Committee  
 R.V. Eckhart

4) What is the validity of developing a typology of development problems which would serve as a guide for individual country strategies for Title IX?

Suggested categories include: legitimizing national governments; help create a sense of national identity; facilitate penetration of the government to all sectors and areas of the country; assist in assuring optimum participation of the people in the processes of development; and, facilitate the distribution of the benefits and services to all the citizens of a country.

or to Graham

9) What are the instruments and techniques for helping to develop civic skills and training for democratic processes?

12) Should AID be restructured to reflect the needs of Title IX? Are there special implications for relations between the Congress and AID, State and AID, AID and the field missions, the field missions and the host government?

very important

- a) How should there be a special research program to help provide analytical tools for this new dimension of AID?
- b) Should there be special training programs to equip (or sensitize AID personnel for the added dimension of Title IX?

14) Does Title IX pose a special problem for evaluation of programs including quantification and criteria for qualitative judgements?

15) Is there a need for a new 'rhetoric' to explain the program to the American people and 'sell' it to the Congress?

16) Should the long-long time frame required by Title IX activities be fully revealed to hold down expectations of dramatic results?

See also Gaud's statement of March 20, 1968

Title IX objectives	Gaud's objectives	academic references
1. change individual motives + objectives	(the "psychic" aspects of development)	almond/Verba, Inkeles
2. building indigenous institutions		Buntington
3. policies to encourage popular participation		Joan Wilson

Grant Hilliker  
4 July 1968  
Kean Sub-Committee

## 12. Organization for Title IX

One aspect of this question relates to country analysis and research of political problems and prospects. This task is the responsibility of State, and reliance is placed mainly upon political officers in the field and the Bureau of Intelligence and Research (INR) in State. No general demand has existed for detailed, in-depth investigation of institutional aspects of popular participation. Special requests for studies are satisfied by using existing resources plus contractors as needed.

If implementation of Title IX is determined by State and AID to justify extending the present level of analysis, present methods can be intensified. In some countries, this might require assigning additional full time political officers exclusively to tasks related to institutional analysis. Their foci would be both on longer range prospects and at greater depths of detail than is normally demanded in analysis concentrating on official actions and political party activities. Outside assistance could be engaged on contract by State for work of a one-time or particularly theoretical nature. As soon as the extent of need is determined, the amount and nature of special training required can be estimated. This might take the form of special studies at the Foreign Service Institute and an increased number of officers assigned to area specialization studies at universities, which have been in progress for most underdeveloped areas for more than ten years and in no case for less than six.

R. Braibanti  
4 July 1968

1. Participation can be meaningfully analyzed only in relation to its consequences on overall governmental effectiveness. Thus it must be viewed in the context of the capacity of governmental institutions to process the demands generated by expanded participation. To do this, we need to know what institutions need strengthening and which can be helped by foreign aid. This requires an analysis of levels of institutionalization and a mechanism for appraising such levels.
2. To avoid an excessively ethnocentric bias in planning strategy for political development, we should first carefully assess the indigenous base of participation which already exists in a given system. Should such mechanisms as panchayats and analagous structures be further supported, modified or expanded by foreign aid? The plan for each country should be prefaced, in sum, by a careful inventory and appraisal of the indigenous participatory-institutional base which exists. This is different from the ordinary country survey in that the appraisal would be specifically articulated by the participatory-institutional equation.
3. It is doubtful that we should expend time or energy on a "grand strategy" of alleged universal applicability to all political systems or even to groups of political systems. Even where geographic proximity and common imperial history seem to suggest identic strategies (e.g. India, Pakistan, Burma, Ceylon), in reality significant differences exist. It would appear to be more economic to concentrate on strategies designed for each political system, carefully articulated to the indigenous context and finely tuned to strategic and diplomatic requirements.

5 July  
D. Bayley Discussion Group

SUGGESTED TOPICS FOR DISCUSSION

I. THE INTERNATIONAL AND FOREIGN POLICY CONTEXT:

Changes in the international environment have compelled the U.S. to take interest in the internal affairs of the LDC's. What is the nature of the U.S. diplomatic response to this new environment? What is the role of Title IX in this environment?

II. TITLE IX: CONCEPT AND MEASUREMENT:

What are the problems in defining Title IX, and how is development in Title IX areas to be measured?

III. U.S. PUBLIC AND PRIVATE CAPABILITIES FOR IMPLEMENTING TITLE IX:

U.S. capabilities: institutional, organizational; available resources, in terms of manpower, technology, and economic base; problems of training, research, staffing, and strategy formulation.  
How should the AID Agency be defined?...as a general agency for all forms of development; as one of many agencies dealing with all forms of development; as an instrument of economic policy, with limited political spin-off?

IV. U.S.-HOST COUNTRY RELATIONS:

The problems of implementing different types of programs; how the implementation of programs is dependent upon available instruments and the type of regime in the host country.

V. AID INSTRUMENTS (DIRECT AND INDIRECT) RELATED TO TITLE IX:

An examination of the relation of instruments available to AID and the objectives of Title IX.

VI. ANALYTICAL ISSUES RELEVANT TO TITLE IX (APPENDIX):

An inventory and assessment of analytic tools in social science which are related to the Title IX issues in social and political development.

B/8  
Functional Working Groups  
(Kean group)  
July 4, 1968

ISSUES FOR FUNCTIONAL GROUPS: listed in <sup>rough</sup> order of priority:

- 1. What is the direction of Title IX--its range, scope, and limitations? ] definition
- 2. What characteristics of countries should be determinants of AID activities directed toward Title IX objectives? Are these generally valid so that they can be appropriately formed into a typology? ]
- 3. How are the goals of Title IX achieved?
  - a) instrumentalities (technical assistance, Food for Freedom, capital loans, participant training)
  - b) U.S. Government organizations
  - c) other external organizations
  - d) indigenous institutions
    - 1) government
    - 2) non-government

N.B. Includes possible restructuring of U.S. agencies, including: research and analysis, evaluation, civic training
- 4. How do we weight relative emphasis to be placed on urban/metropolitan problems vs. rural/agricultural problems? ]
- 5. What are the conflicts between Title IX and counter-insurgency and civic action programs and problems ]
- 6. Should phase-out criteria for country programs include economic, social and political factors? ]

The meeting ended with a resounding CHEER for the committee chairman and rapporteur.

4 July 1968

SESSION: Working Group  
 CHAIRMAN: Princeton Lyman  
 RAPPORTEUR: Karl Jackson

*Brown*  
*Dutton*  
*Harkness*  
*Plunk*  
*Wiggins*  
*Wiggins*

I. Conceptual Issues

A. Title IX: Purposes and definitions

1. Definitions and indicators of different types of participation and their effects in various situations.
2. Title IX: social and political objectives
3. Title IX: an economic development
4. How much does Title IX change the basis for the foreign aid program?

B. Title IX and U.S. foreign policy objectives

1. Redefine objectives of foreign aid within U.S. foreign policy in light of Title IX
2. To what extent should Title IX have overriding priority in U.S. foreign policy toward the Third World?
3. The desire to maintain a relationship with a government in in time-present may come into conflict with the desire to initiate policies with effects in time-future
4. What is the overall U.S. attitude toward fostering change? How much change is tolerable? How much change should the U.S. encourage? Stability vs. change. National security vs. change.
5. Expansion of democracy in the LDC's may lead to growth of anti-American sentiments. Is this tolerable--to Congress-- to the U.S.?

C. Limitations and risks involved in the application of Title IX

D. Criteria for evaluating aid to political development. How is success identified in political development?

E. Geographical dispersion of Title IX program. Is it necessary to have a Title IX program in every country, or is it better to concentrate the resources devoted to Title IX in a few countries in order to have a system-wide effect?

F. What are the experiences of the Soviet Union and other countries in Title IX aid?

G. Vocabulary

1. What vocabulary can be used in explaining the purposes of Title IX--to Congress--within AID--to host countries of various types.

SESSION: Working Group  
CHAIRMAN: Princeton Lyman  
RAPPORTEUR: Karl Jackson

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II. Problems of Operational Strategy

A. Typology of country situations to be utilized in granting aid under Title IX

1. Degree of U.S. interests and involvements
2. Degree of economic development
3. Degree of dependence of host country on the U.S.
4. Degree of authoritarianism of the host government

a. Important dimensions to be discussed: extent of institutionalization of power; legitimacy; pattern of concentration of power

B. Analytic Inputs to Title IX

1. How does one conduct the analysis leading to: a) a typology of country situations; b) mission priorities and c) programming?
2. What is the relationship of economic to political development?
3. What is the congruence of our policy with the colonial present policies of other countries in a host nation?
4. What should be the relative emphasis of urban vs. rural development?
5. To what extent should Title IX be used to encourage changes which are in opposition to the basic value constellations of the host society? Should Title IX be used to assist an authoritarian modernizing elite which is overturning the traditional values of the society?

C. Should Title IX be continued when the economic justification for aid declines?

D. Third country problems

1. What is the effect of applying Title IX upon other LDC's?

E. Problems of doing research in potential Title IX countries

1. Sensitivity of U.S. Government and/or the host government to research relevant to Title IX (research done within U.S. Government agencies and by private scholars).

SESSION: Working Group  
CHAIRMAN: Princeton Lyman  
RAPPORTEUR: Karl Jackson

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2. Possibility of making grants to particular institutions to encourage research in particular countries. Said research would then be carried out under the auspices of the institution rather than AID.

F. Other U.S. Government instruments and their coordination, e.g. USIA, CIA, the Peace Corp, the Department of State, the Department of Defense and other U.S. agencies

1. What are the differences in the conceptual frameworks with which these agencies approach the problems of political development?

2. What should AID's proper relationship to other agencies be in the field? In relations to Title IX?

3. Is Title IX possible without increased coordination between all other U.S. agencies in the foreign policy field?

III. Evaluation of AID instruments For Use in Support of Title IX

A. Programs aimed at economy-wide change

1. Fiscal and monetary policies

2. Banking sector

3. Social overhead capital

B. Programs emphasizing political participation as well as the economic effects of aid, e.g. community development, coops, credit unions, etc.

C. Social development programs with or without immediate economic effects, e.g. schools, housing, labor

D. Development of professions and civic institutions, e.g. the legal profession, political parties, municipal and local politics and civic education

E. Identification, contact and training of groups because of their potential political importance

1. Youth groups

2. Women's groups

F. Use of third country resources for Title IX purposes, e.g. training in third countries and using third country personnel

SESSION: Working Group  
CHAIRMAN: Princeton Lyman  
RAPPORTEUR: Karl Jackson

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G. Public administration efforts

1. Central government
2. Aid to the provincial government
3. Aid to the municipal government
4. Aid to local government

(H) IV. Use of Non-Governmental resources for Title IX

A. AID and the private sector

1. Use of contractors in special areas (peasant organization, political studies, etc.)

B. Encouragement of non-governmental involvement in areas related to Title IX

1. 1. Title IX implication for U.S. private investors abroad
2. Non-governmental organizations transcending national frontiers
  - a. Professional associations
  - b. Political parties
  - c. Voluntary associations
  - d. Service organizations
  - e. Other non-government organizations

V. AID Organizational Implications

- A. AID's relations to other government organizations
- B. Staffing requirements of Title IX
- C. Training requirements of Title IX
- D. Organizational requirements of Title IX
- E. Evaluation

VI. Specific recommendations (if any) for change: a) the legislation; b) the structure and organization of AID and/or c) the interagency arrangements relevant to Title IX achievements and d) future research

- A. Study of the application of Title IX to U.S. domestic problems

[N.B. This group cannot begin to function until the other groups have made their reports.]

4 July 1968

Functional Working Group  
Chairman: Lewis Purnell  
Rapporteur: Keith Smith  
Summary of Individual Reports

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- I. Tom Farer - Report <sup>attached</sup> ~~outstanding~~ Foreign Policy <sup>Context</sup> ~~Issue~~
- II. Donor Lion Intro. to Title IX
- A. Suggested components of introductory material
1. Where Title IX comes from
    - a. conceptual underpinnings
    - b. pragmatic; foreign assistance experience; threat of subversion; other related factors
  2. Where Title IX is
    - a. reference to programs, activities, projects pursued to, and since Amendment consistent with and implementing the Title IX Amendments
    - b. reference to training activities, the Conference, AID organization, research efforts, etc.
- B. Definition and Role of Title IX in Foreign Assistance Policy and Programming
1. Title IX as Goal and Means
  2. Aspects of pluralism, decentralization, private and public institutions
  3. Aspects of participation
  4. Nature and behavior of societies
  5. National integration
  6. Inter-agency roles
  7. U.S. public and non-government role and relationships in Title IX programming and implementation
- C. Implications of Title IX for the Future of U.S. Public Assistance to the LDC's: Issues
1. How long do we stay and under what circumstances?
  2. Do we need new and expanded criteria for an economic development "success" story?
  3. Are resource transfers needed or strategic to finance Title IX objectives?
    - a. leverage/influence
    - b. magnitude
  4. How can other bilateral donors, consorted and international financial institutions push Title IX objectives on their own or in coordination with the U.S.?

Functional Working Group  
 Chairman: Lewis Purnell  
 Rapporteur: Keith Smith

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- III. Joan Nelson - Interrelations among economic and social development, political stability, and broadened participation
- A. Complimentarities and Conflicts between Broadened Participation, Economic Growth and Political Stability
  - B. The Priority of Title IX Goals in Different Countries
    1. Criteria
      - a. level of economic development
      - b. future stability
      - c. nature of political system or degree of participation
      - d. conflict with other U.S. goals
      - e. importance of the country to the U.S.
      - f. cordiality of relations with the U.S.
    2. Combining the criteria: high medium, and low priority countries
    3. Implications for program planning *of Title IX*
- IV. Tom Thorsen - Report outstanding *of AID Instruments*
- V. Eric James - A Few Issues of Concern
- A. Articulating and interpreting the broad Title IX philosophy and performance expectations to all recipient governments (assuming this is desirable).
  - B. Meeting strong opposition by recipient governments who view our concern of "popular participation" as exclusively their own concern, into which AID's interference would be greatly resented.
  - C. Terminating projects which not only have no Title IX implications, show no prospect of broadening the base of participation, but which have high government priority.
  - D. Where strategic-military importance of the country is the real reason for AID presence and program, how do we resolve Title IX expectations when:
    1. The country is receptive to high economic AID involvement but is incapable to absorb it
    2. The country is receptive to high economic AID involvement but is beyond the development stage to require it. (This economic level of growth does not always imply "high" political development.)
  - E. How do we resolve the dilemma posed by
    1. our desire for decentralization, local community involvement and popular participation at the local levels, while

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Page 3

Functional Working Group  
Chairman: Lewis Purnell  
Rapporteur: Keith Smith

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2. advising and assisting in the development of strong, central planning agencies, responsible for overall development planning, staffed by the ablest in the public bureaucracy and membership usually by cabinet-level officials.

F. The question of by-passing the governments in order to deal with private groups, when it seems clear such groups will be more amenable to and capable of promoting Title IX aspirations (but when such groups are under the domination of authoritarian governments).

VI. Bob Meagher - Report ~~outstanding~~

*to be attached*  
*Research, Training & Evaluation*

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Israel

Economic Growth and Title IX in  
the context of U.S. foreign policy.

Tom Fauer  
7/5

I. Alternative environments in the  
ear 2000.

A. Optimal Environment from  
U.S. perspective.

-- All significant nation-states  
accept existing national boundaries  
and respect each other's  
distinctive configuration of  
internal processes. Use of  
overt or covert force eschewed.

-- Nuclear armament held  
at low, quantitatively constant  
levels. Combination of  
int'l inspection and free  
movement across national  
boundaries of people and  
scientific and technological  
information renders highly  
unlikely the contingency of  
unilateral qualitative  
jumps.

-- Factors of production  
move freely across nat'l  
boundaries.

2.

-- All larger states in Asia, Africa and L.A. have achieved self-sustaining growth.

-- World population growth stabilized at very low level.

-- Virtually all people assured of adequate nutrition

B. One undesirable alternative.

-- World divided into a few more-or-less mutually hostile blocs and powerful nation-states including U.S. (Canada has been effectively incorporated), Western Europe, U.S.S.R., Latin America (dominated by Brazil) and China-Japan.

-- Each major state or group of states expend substantial portion of GNP on armed forces.

-- Sub-nuclear or limited

P. 5)

nuclear wars erupt periodically because perceived zones of influence overlap.

- Trade and investment between major states and blocs is extremely limited, as are cultural and intellectual contacts
- Much of Africa and Asia (primarily the Indian sub-continent which has been fragmented) and parts of L.A. are in a state of chaos; starvation is widespread.

## II. Contemporary U.S. objectives in Third World

A. Deter acquisition and use of nuclear weapons

1. Why?

- Problem of fall-out
- Fear of catalytic war.
- Damage to norm of non-first-use  
i.e. lowering of

p. 4)

- nuclear threshold).
- Blackmail of more developed states.

B. Deter use of force against neighboring states

1. Why?

- Danger ~~of U.S.~~ involvement.
- Danger to U.S. citizens or their property.
- Might alter significantly prevailing allocation of power among major states?  
(This is a controversial proposition)
- Erode norms inhibiting use of force

C. Encourage favorable investment climate for U.S. capital.

D. Encourage free trade with  
U.C.

p.5)

E. Encourage adoption of institutions and attitudes which approximate as closely as possible those which we perceive as central features of U.S. society.

4. Why?

-- Large private sector plus emphasis on economic growth plus shared eco-social-politic values with U.S. virtues assures satisfactory trade and investment relations with U.S.

-- Receptivity to U.S. capital, adoption of familiar institutions, etc. will reduce U.S. domestic opposition to the use of public resources to project influence in the LDC's.

Assumption that societies with institutions

P. b)

and values comparable to ours will —

(i) align with our foreign policy for the geographic area in which they are located  
or

(ii) pursue pacific foreign policies

-- Recognition that adoption by others of our institutions and values enhances the legitimacy of those institutions and values in our own society

## 2. Points of controversy

-- What are the central values of American society?

-- What institutional forms are the most appropriate vehicles for those values in other cultures?

Is there in fact

P. 1)

a significant relationship between a society's internal processes and myths, and its foreign policy? ~~\_\_\_\_\_~~

F. Facilitate emergence of new strong states with an interest in avoiding general war, a preference for a stable int'l environment and the will to assist in discouraging transnationally-inspired change.

III

Relationship of foreign assistance program to foreign policy objectives

A. Assumed value of foreign assistance in addition to its aggregate growth and Title IX impact:

1. Aid provides angle of entry for political influence

-- fosters perception of U.S. as friend;

p. 8)

-- provides basis for development of personal relationships between U.S. personnel and decision-makers in target society

-- creates incumbent regime dependence on continuation of aid;

-- promotes tendency to visualize the processes of int'l society in much the same way as U.S. decision-makers.

p. 9)

B. Assumed Value of aggregate  
assumed growth and aid  
relevance to such growth

1. For certain states,  
U.S. transfer of capital  
and "know-how" provides  
critical margin for  
achievement of self-  
sustaining growth.

2. Economic growth

-- strengthens govts  
with whom we have  
been dealing and  
hence with whom we  
have influence and  
whose policies are  
relatively predictable

-- tends to focus  
elite attention on  
problems of internal  
development as opposed  
to foreign adventures

(i) But also  
provides resources  
for such adventures

Reduces latent or actual antagonism towards developed states

-- Tends over the long run to produce attitudes and institutions more like our own.

### C. Title IX Assumptions

[N.B. For these purposes Title IX is assumed to require a heightened emphasis on decentralization of power, a more equitable distribution of the fruits of development and conscious inculcation of civic values prized by U.S. in Third World elites.]

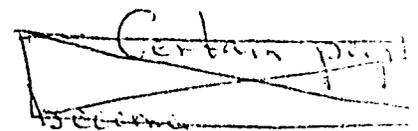
1. At least in short run, aggregate eco. growth may not advance and in some cases may even be inconsistent with U.S. objectives if not accompanied by more autonomous <sup>individual</sup> participation in social processes and increasingly equitable distribution

P. 11/

of wealth generated by development:

-- Growth alone may increase observable gap between rich and poor and thus contribute to social conflict ~~and~~ ~~its~~ concomitant inducement to foreign intervention  
Felt gap increases because

(i) - Rich in fact are richer



(ii) - If some persons enter the wealthy ~~and~~ class differences in wealth are no longer perceived as inevitable

(iii) - Growth of communications facilities

P. 12)

→ traditional social ties disrupted.

- Increase in GNP unaccompanied by increase in democratic control may enhance war-making potential
- Social tensions may encourage foreign adventure
- Failure of U.S.-aided states to achieve more equitable, participatory societies

(i) May enhance difficulty of U.S. relations with successor elites

(ii) stimulates U.S. domestic opposition to aid and generally to an active foreign policy

(iii) reduces U.S. influence with important elements of other developed societies

P. 13)

iv. may even erode legitimacy of U.S. institutions

D. Use of aid instrumentality assumed to be less costly than primary reliance on military modalities to achieve foreign policy objectives

-- military intervention does not tend to create conditions which will ultimately render intervention unnecessary; indeed, such intervention may generate reactions which increase necessity for intervention to achieve foreign policy objectives, and on greater scale

use of force in LDC's

-- ~~tendency~~ to lower worldwide threshold of violence

-- military intervention produces either domestic pressure to escalate or to reduce foreign policy

6/27/68  
(1)

### Areas for Non-Country Focus

The sub-committee asked to propose "functional" areas to complement/supplement the country focus work on Title IX considered, among other things:

- . The objects of assistance action
- . The techniques of assistance
- . The needs ("felt," of course) of decision-makers and technicians in understanding and implementing Title IX
- . Key questions to be raised in programming the Title IX dimension

It was agreed that A.I.D.'s traditional categories or sectors (industry, agriculture, planning, infrastructure, etc.) would not be the most productive approach in functional or operational terms, nor would they imaginatively serve other possible audiences -- e.g., the new administration, the Congress.

In addition to the proposed areas for small group focus, the sub-committee strongly recommends that the Conference develop positions on three matters of concern to Title IX programming and implementation: training, organization, and research. It is further suggested that small groups of conference participants be promptly selected with responsibility for committee drafts of these positions, although their work should be delayed until the directions, findings, and thrusts of the conference begin to emerge.

The training question would include, for example, types of personnel required, selection and recruitment guidelines, nature, and length of training. In the other areas, illustrative questions would include: How should A.I.D. organize in the field and in Washington to implement Title IX (assuming an A.I.D. entity SIMILAR to the present one)? What are the research implications of the conference? What research topics should be undertaken and how?

Gil Carter  
John Cool  
John Kean

Donor Lion  
John Montgomery  
Vincent Puritano

6/27/68  
(2)

I. Non-Governmental Organizations and Title IX

(Carter)

This group would examine the actual and potential roles of non-governmental organizations—host country, U.S. and other foreign, profit and non-profit--in achieving Title IX objectives.

Sample Questions

1. What Title IX objectives are most usefully approached through private institutions and activities?
2. How can the U.S. Government effectively support the development and strengthening in the LDC's of private institutions relevant to Title IX other than through the conventional government to government country program pipeline?
3. What is the relevant range of NGO activity? Within that range, what criteria of capability, motivation and resources should A.I.D. employ in determining which NGO's should receive encouragement and support?
4. Should A.I.D. expand foundation-type grant support of privately programmed Title IX activities by U.S. and LDC private organizations?
5. What other means can the U.S. Government employ to promote the influence and support the activity of U.S. NGO's working in the LDC's? Coordination? Sharing analytical data? Facilitating host country acceptance? Other?

(I + II)  
Panel 4 of Bayley paper - 4-

Addendum I to:  
Functional Working Group  
Chairman: Lewis Purnell

Joan Nelson  
July 5, 1968

Interrelations Among Goals: Growth, "dynamic"  
Stability, and participation.

I. Conflicts and complementarities

Important to spell out, because gives clues to kinds of countries where we can expect convergence of these goals and where we can expect divergence.

II. The Priority of Title IX goals in different countries.

Assume it is neither desirable nor feasible to emphasize Title IX goals equally everywhere. Therefore need criteria to decide where to emphasize heavily and where to give low priority.

A. Criteria (tentative list: Important point is that we need some set of criteria):

1. Level of economic development which determines degree to which par. can contribute to economic growth

2. Foreseeable pol. breakdown, which determines degree to which par. important as means to enhance dynamic stability

3. Degree of par. in decision-making, as distinct from expected pol. stability. (Ex: Paraguay: stable, but non-participant.)

4. Anticipated conflict between par. and other U.S. goals.

1-3 are benefits from (or reasons for) pushing Title IX.

4 is one measure of costs, or an argument for not pushing it in certain countries. (Ex: Panama).

Two other criteria shape Title IX efforts along with all other AID endeavors. These are:

5. The importance of the country to the U.S.

6. The tone of current relations between the country and the U.S

B. Applying these criteria to determine countries where AID should give Title IX objectives high, medium, or low priorities. The report should list countries, though it need not classify every aid recipient.

C. Implications for program planning.

1. Where Title IX has high priority,
  - a. examine whole program for ways in which it promotes (or conflicts with) Title IX goals
  - b. probably establish one or more goal plans concerned with Title IX. (Spell out what a Goal Plan calls for in analysis, program planning)
2. Where Title IX has medium priority, less intensive integration into program planning
3. Where Title IX has low priority, "check list" approach

THE USE OF AID INSTRUMENTS TO ACHIEVE TITLE IX OBJECTIVES  
OUTLINE

A MAJOR KEY TO TITLE IX IMPLEMENTATION

There needs to be a generally accepted world wide doctrine that popular participation in the governing process at all levels of government is a critical element in nation building and economic development, thus escaping the possibility of a U.S. bias.

CAUTION: Traditional AID Capital assistance and technical assistance programs unconsciously concentrates upon programs which strengthen already highly centralized developmental ministries which might create serious obstacles in the implementation of title IX objectives.

Capital Assistance

Capital Assistance strategies are usually oriented towards low risk national guaranteed projects with little or no Title IX fallout, i.e. National power and water authorities, assistance to state monopolies or state economic enterprises, or great industrial complexes.

Alternative. Capital Assistance to higher risk public utility infrastructure at the provincial or municipal level, strengthen local banking and credit institutions, make more loans available to middle size entrepreneurial class.

Technical Assistance

US AID technical assistance personnel are usually closely associated with highly centralized developmental ministries. There is great need for such technicians to thoroughly understand and champion Title IX philosophies.

At central government ministerial levels consensus for title IX objectives, in the first instance, should not be made by a frontal attack. Most highly centralized governments are vertically oriented, where decision making is at top of pyramid. Well designed management training programs emphasize basic elements in managing organizations which includes building horizontal relationships, coordination, broadening decision making base, delegation of authority to action units, participation in the implementation process, Management training is in great demand politically non-sensitive and many aspects of title IX are already incorporated in such courses.

## DISPERSION OF POWER

The objectives of Title IX direct themselves especially well to two units of local government.

### Municipal Government.

Required is the development of an urban development strategy. Municipal government is the most ideal unit of local government to develop programs which draw upon major elements of title IX. (refer to paper written on agro-urban centers and rural development, and another paper the role of municipal government in the development process.

### Provincial Government

Develop at this level the capacity to meet rural development needs, including programs to support village development.

## INSTITUTIONAL DEVELOPMENT

Proper type of institutional development is critical to the success of Title IX objectives. There must be developed institutional capabilities to satisfy the minimum demands of the institutional constituency if the units legislative body is to survive and popular participation is to become an effective process. The AID agency is woefully lacking in its evaluation capacity to articulate critical institution building characteristics or qualities. (Refer to Institution building profile)

FOREIGN POLICY

### RECOMMENDATIONS

1. Aid should continually watch the domestic experiments, experiences and lessons of our domestic urban crisis, to see what those might provide in the way of new aid strategies for LDC's experiencing their own transitional trauma on the way toward urbanization. Our own experiences with domestic Title IX programs in the poverty program might also provide vital sources of future highly motivated and experienced AID personnel.
2. While some have argued, that aid programs including one with Title IX implications, in non-strategic LDC's, are those which might best be turned over to multilateral international organizations. We feel that it would be a serious error, were henceforth our bilateral aid programs confined to only those countries and regions where we have clear and obvious national interests. This would seem to signify our wish to pass unaliguously humanitarian programs to the hands of others, while we worked only in the muddy contexts of REALPOLITIK. Our own program then would certainly risk the loss of a liberal and humanitarian constituency at home, so essential to providing the spirit, zeal, and personnel for the entire aid program.
3. In considering Title IX programming, priorities of U.S. national interests might be broken down into the following rough categories:
  - a. Countries vital to our national defense interests especially against nuclear or conventional threat. In such countries, progressive governments and satisfaction of popular aspirations may be important in assuring the viability of our bases and installations. It may well be that greatest attention should be paid to the quality of the civic life of these nations. Here, where American is most closely identified with regimes, our reputation is most at stake. Title IX activities would appear important in such countries.
  - b. tension areas - In high tension areas where either by formal or moral commitments might become involved in armed conflict, Title IX activities may be helpful in reducing the probability of conflict.
  - c. large scale countries and units which by their very size are important to the world environment. Regional groupings should also be encouraged but the increased scale makes it even more important that their shared values are compatible with our own.
  - d. smaller-scale countries anxious to modernize.
  - e. other countries which are antipathetic to Title IX objectives and are unwilling to change should be candidates only for purely humanitarian type assistance.
4. Multilateral aid often may be desirable e.g. high tension areas and countries anxious to appear scrupulously neutral. In such countries Title IX activities might be possible through NGO's.

5. Coordinated bilateral assistance provides an often desirable compromise between bilateral and multilateral aid by planned sharing of costs and risks and is often politically more acceptable to the recipient countries. In such countries opportunities for Title IX activities and success may be greater than where we have bilateral programs.
6. If Title IX is to be meaningful, its importance must be understood by all elements in the foreign affairs community and programs must be well coordinated in Washington and the field to assure not only compatibility with U.S. foreign policy objectives but also that Title IX activities help achieve our foreign policy objectives.
7. Title IX objectives might well be discussed with our donor allies to seek their support for those objectives.
8. Foreign policy objectives may require continuation of Title IX activities long after a recipient country has ceased to qualify for economic assistance.
9. Aid should continually watch the domestic experiments, experiences and lessons of our domestic urban crisis, to see what these may provide in the way of new aid strategies for LDC's experiencing their own transitional trauma on the way toward rapid urbanization. Our own experience with domestic Title IX programs in the poverty program might also provide vital sources of future highly motivated and experienced AID personnel.
10. In view of the altered strategic significance of the less developed countries, foreign assistance should be increasingly concentrated in countries where the government is committed to economic development and greater participation in decision-making and the benefits of development and where U.S. resources are likely to make a significant contribution to these objectives.
11. In view of the changed international environment, regimes which are hostile to Title IX objectives should not receive economic assistance merely because of fear that they may be overthrown by "radicals".
12. The current detente appreciably lowers the strategic importance of Third World LDC's to U.S. security. Because of this, U.S. can afford greater risk taking, experimentation and flexibility in Title IX programming.
13. In evaluating the Title IX orientation of a regime, it should be recognized that participation may be pursued through a variety of political forms including, at certain stages of development, one-party systems.

14. Title IX objectives will in each instance, have to be sensitively orchestrated, taking into account the unique cultural and political circumstances and the diverse levels of political identification and sophistication in the recipient nation.

15. Title IX efforts to increase the responsiveness and efficiency of national administrators often result, at least initially, in the imposition of increased restrictions upon the public which are attributed to increased participation.

The foreign policy context -- U.S. foreign assistance

If public support of U.S. foreign assistance programs has unmistakably declined, this is in part due to a growing American preoccupation with urgent domestic problems. But it is also a result of changing foreign policy concerns. There is a fading public perception of immediate critical threats to our security. There is also an increasing skepticism about the usefulness of foreign assistance as an instrument of American foreign policy. Indeed, a growing number of people, rightly or wrongly, have voiced fears that the foreign assistance program might serve to believe that foreign assistance programs may perpetuate policies which, in the contemporary environment, may imperil our national interests. Finally, in some quarters there is a growing distaste for extending aid to regimes whose domestic policies seem harshly inconsistent with American values. (One special concern frequently expressed is that U.S. assistance may result in an identification with, and possibly military commitment, regimes even though their survival may be unrelated to clear American interests.

Before assessing the accuracy and importance of these beliefs it is useful to recall the political origins of our present programs.

U.S. programs of economic development assistance commenced in the early years of the classic cold war between America and Russia with aid to Greece and Turkey. It is obvious that the natal influences of this conflict upon U.S. aid conceptions, priorities and strategies, were very great indeed. Not only were "country" and regional priorities of aid allocation in some measure determined by the changing characteristics of this global struggle, but also the annual magnitudes of programs in large measure were often seen, in Congress and Administration alike, as dependent upon the current level of perceived antagonism in a wide range of interlocked Cold War issues. Finally, the ideological nature of the contest tended to influence American judgments about the ways in which developmental processes and strategies would shape the future balance of world forces between "closed" systems of socialism, or state-capitalism, and "open" liberal market economies.

The fact that the Communists offered a distinct, coherent development theory encouraged an understandable American impulse to articulate counter-theories of change compatible with our own national values. The interaction between competing ideological conceptions of development generated, through the early 1960's, an overwhelming impulse on our part to measure 'gains and losses' in aid programs not simply in terms of their effect upon the recipient's own posture or orientation between the Soviet Union (and, later, China) and ourselves. This 'zero-sum game' approach to aid went not unnoticed among the recipients or possible recipients of economic assistance, who were not unaware of the opportunities which this presented.

The waning of the classic Cold War has seen a decartelization of the familiar alliance systems which it engendered, and also the development of significant tensions and conflicts within the Communist world. Whatever other effects this lessening of tensions may have had in world politics,

one immediate effect has been upon the political context within which Third World political and economic development takes place. In many areas, where Communist and "free world" development programs once engaged in overt competition with each other, Soviet and American aid programs exist, pursuing their purposes in parallel fashion. At the same time, as the practice of foreign assistance becomes more conventional and widely-dispersed among the developed countries, and in the United Nations, so its "routinization" has stripped foreign aid of its more dramatic and combative rationalizations.

While the general philosophic formulations of U.S. aid programs in the past have stressed a universalistic theme equally applicable in all LDC's, it is quite clear, from a look at a budgetary mercator map, that the prime Third World beneficiaries have been nations with a close proximity to the Communist world. For them, this proximity, however uncomfortable to them, has marked them in the past for prodigious allocations of American resources.

In the public rhetoric of three administrations, the security aspect of our aid programs usually has been encapsulated in a broad humanitarian frame of reference. Yet in practice, the reverse has been the case. Not only has foreign assistance principally been coordinated with other military and diplomatic aspects of "perimeter containment" of the Communist world -- Korea, Southeast Asia, India and Pakistan, but also, aid elsewhere, in many instances, such as the Alliance for Progress, has been launched in response to clearly perceived threats of domestic revolutionary situations as those which the Castro revolution displayed. In these instances, the principal thrust of U.S. activity tended to be responsive to tendencies regarded as potentially and cumulatively threatening to U.S. security considerations. In essence, the policy conclusion drawn from the tightly bi-polar picture of the world in the 1950's was that any and every shift of alignment even by weak, less developed states might affect the military or psychological balance between the superpowers and thus the United States had to become involved through threat obligations and assistance in every part of the globe.

That rationale for American involvement is no longer valid. In the first place, it now is evident, both to many Americans and decision-makers in foreign states, that the United States has become the preponderant world power. Secondly, it also is now clear that this preponderance is primarily a consequence of our enormous economic capacity, a capacity substantially greater than that of the Soviet Union and Western Europe combined, joined with a technology which has no superior. The size of our economy and the advanced state of our technology permit us to mount an invulnerable second-strike capability, as well as extremely powerful conventional forces. Finally, the noisy fragmentation of the Communist bloc and the increasingly independent policies pursued by important members of the Western bloc have greatly reduced the prestige or psychic costs of a realignment by a less developed country (i.e. its "going communist"), although it may still be possible for the United States or the Soviet Union to create an artificial prestige commitment by proclamation.

Foreign Policy Context  
Final Draft

July 26, 1968  
page 3

The prevalence of nationalism under ideological affinities, a basic cause for the fragmentation of the Communist world makes highly unlikely the once greatly feared possibility of a centrally directed bloc force aggressively threatening the security of the U.S. and Western Europe.

For these reasons [most of] the less developed states now have only [a] marginal relationship to the balance of power between the two great industrial societies.

We may conclude that because of this the U.S. today can employ a much wider range of strategies in dealing with less developed countries, since the risks to our security interests in many Third World areas appear far less than they once were, no longer appear to be substantial.

For example, in some instances the United States has supported repressive regimes whose policies and objectives wholly conflict with our own political values, since we have feared the possibility of their overthrow by Communists. That contingency need no longer constitute an overriding concern"

While the U.S. foreign assistance program since the early 1950's has been dominated by cold war concerns it is also true that its subsidiary operations have in many cases served important beneficial causes wholly unrelated to cold war objectives. It has contributed to the crucial cause of economic development in many countries. In some cases, it has promoted a desirable enlargement of effective human participation in the civic and economic life of recipient countries. Thus while the climate of international affairs today differs from that of the cold war there are important non-strategic purposes in our aid programs which deserve to be continued.

Nevertheless in view of the sharp decline in public support, the foreign assistance program clearly requires a refurbished rationale. Such refurbishment should commence with a clear statement of American objectives in the Third World congruent with the new realities of contemporary international relations.

A new policy framework reflecting these altered perspectives might include the following:

1. Deterrence of acquisition and, if that fails, of use of nuclear, biological or chemical weapons.
2. Deterrence of the use of force or the threat of force by one state against another ( peaceful settlement of disputes")
3. Assistance to development programs having as their objectives the reduction not only of the disparity in levels of well-being between the rich and poor but also the reduction, in the broadest sense, of the sources of tension between men, communities and states. <sup>Seabury, Funnell alternative: Aside from important strategic areas, such as Korea, this contingency should not constitute an overriding strategic concern to us, despite the problematical issues which it might pose in terms of our hope for the encouragement of free and open societies.</sup>

+sense, of the sources of tension between men, communities and states.

(4) Encouragement of regimes in the less developed countries which promote an equitable distribution of wealth, equal access to a society's material and symbolic values and exercise of rights of free speech; it is assumed that in societies governed by such regimes, laws and public institutions might come to be, if they are not already, widely perceived as legitimate.

(5) Promotion of open societies disposed to economic and cultural interaction with all friendly foreign states:

(6) Development of cooperative programs with the Soviet Union and other major powers to the extent such programs are compatible with objectives (1)-(4):

(7) Promoting of a reasonably stable context of interstate relations within which regional and other transnational ties will be encouraged.

With respect to the first point, the acquisition and use of nuclear or sophisticated chemical or biological weapons jeopardize United States interests, as well as the interests of virtually every other nation, in several ways. First there is the grave problem of radioactive fall-out which could reach very serious proportions even if a number of new states engaged only in extensive testing programs. Second, there is the frightening prospect of accidental or unauthorized use. A third danger is use against a great power by an unidentified state: the conceivable result could be catalytic war between the major nuclear states. There is also danger that use of such weapons in wars between smaller powers could reduce the psychological threshold for use in disputes among the great powers. And finally, such weapons might be used to blackmail powerful states.

The policy of deterring the employment of subnuclear force in interstate disputes is also grounded on compelling considerations of national interest. The use of force by one less developed state against another raises the danger of United States involvement, particularly in cases where some ethnic group in our heterogeneous society retains significant emotional ties to one of the relevant states. In addition, such local conflict is likely to endanger the lives or property of United States citizens. Furthermore, conflict even among relatively weak states tends to erode norms which inhibit the use of force, thus reducing for all the inhibitions of resort to violence.

Economic development should remain a primary foreign policy objective despite the radical reduction in United States-Soviet competition in the Third World. A refusal to provide substantial assistance would undoubtedly aggravate existing tensions between the developed and less developed states, and even if threats of race war seem overstated, it is risky to ignore the poor three-quarters of the world who might, through quantum jumps in nuclear or chemical and biological technology, develop a capacity to hurt us badly. This objective is, in any event, closely related to the policy of deterring conflict, nuclear or subnuclear, between less developed states. Development frustrations could drive certain of the more powerful states to plunder smaller but proportionally wealthier neighbors. But the principal rationale

for this objective is derived from the very value structure of American society. Although our deeds have not infrequently belied its presence, a universal idealism threads its way through American history. From the beginning we have visualized American society as a concrete expression of universal aspirations. And frequently we have seen ourselves not only as a model but also as a means for assisting others to achieve that dignity which has among its preconditions freedom from fear and want. A foreign policy which fails to express as essential feature of our value system will be constructed on weak political foundations. It will also deter the entry into government of many of our ablest people. And it may generate doubt about the quality of our political institutions.

These same considerations justify the fourth policy identified above. The political base of a policy which involves support for repressive regimes cannot be maintained for long except in an atmosphere of intense conflict with other great powers. In other words, this one element of a total foreign policy posture tends to color decisively the policy perceptions of a critical constituency. In addition, we adhere to the assumption that states which permit free expression and its concomitant of participation in decision-making processes are somewhat less likely to pursue aggressive foreign policies. On this assumption, policy four also relates positively to policies one and two.

Policy five reflects the desire of a dynamic, mobile and increasingly well-informed population to have mutually productive access to the rest of the world. For some the primary concern is travel and cultural exchange; for others the opportunities for trade and investment. All are legitimate objectives of United States foreign policy.

Policy six recognizes opportunities in the less developed world for tension-reducing activities involving cooperation with other major powers, particularly the Soviet Union. The less developed world constitutes an appropriate forum for such activities because of the area's marginal relevance to the balance of power and the increasing recognition by the United States and the Soviet Union of a coincidence of interest with respect to a variety of economic and political issues in this area. For example, the Soviet Union clearly shares our concerns over the prospect of nuclear diffusion.

Policy seven is only another way of articulating policy two. Both reflect the idea, contained in Article 2 (4) of the United Nations Charter, that neither force nor the threat of force may legitimately be used to promote the interests of the state in international relations. However, while policy two is rationalized in terms of short-run U.S. interests policy seven is oriented toward the long-run prospect for peace.

We mention the need for relatively stable inter-state relations since rejection of the use of force to alter state boundaries is usually a precondition to the development of regional ties: of ties transcending mere geography which lead in turn toward a worldwide sense of community.

If this is too elevated an aspiration, at least it leads toward a universal acceptance of interdependence and of mutual advantage in the preservation of peaceful relations among states and the guarantee of minimum human rights within states.

Are programs of foreign economic assistance an important means for implementing these policies? The possible linkages between foreign economic assistance and foreign policy objectives are of principally two types:

(1) It is alleged that aid provides an angle of entry for political influence.

(2) It is alleged that aid can make a critical contribution to aggregate growth and that at least in the long run, growth is likely to result in states which share with us central ideas about order in international society. moreover, in both the long and short run, economic growth promotes new opportunities for U.S. investment and trade which in turn, of course, contributes to accelerated growth.

The full-fledged argument in support of the first allegation runs along these lines. Aid-giving fosters a perception in the recipient country that it and the U.S. share certain important common interests. Of greater significance is the fact that economic aid is invariably accompanied by advisors and administrators, who establish personal relationships with decision-makers in the target society. Since all share a concern for economic growth, the relationships should, on balance, prove amicable. Moreover, the frequently-greater expertise of the U.S. advisor will impress host country decision-makers with the efficacy of the American approach to problems, at least in cases where economic development programs are in fact successful. In addition, if U.S. advice proves useful in relation to problems of economic development, advice in other fields is more likely to prove influential. Finally, in rare cases, a massive program may leave the incumbents critically dependent on the continuation of assistance.

With respect to the second allegation, many less developed states have the potential for self-sustaining growth, but cannot realize it without technical assistance at various levels.

Economic growth is said to have several desirable political consequences. It allegedly strengthens governments, both internally and externally, with whom we have been successfully interacting and hence with whom we have influence and whose policies are relatively predictable. Second, the experience of a successful development effort is thought to sustain elite interest in development problems as opposed to any possible alluring adventures in the realm of foreign affairs. The underlying assumption is that individuals tend to concentrate on problems which appear soluble both because of the psychic gratifications of success and the concomitant social and political prestige. In addition, the larger economic margin created by development enables governments to cope more successfully with popular demands by means other than the deflection of public interest and rancour

to problems of foreign relations or totalitarian repression. It is also assumed that the experience of development reduces latent or actual antagonism toward the already developed states and generates a sense that the interests of the developed and less developed are really complementary. This in turn leads to compatible attitudes towards international relations including the putative virtues of relative political stability.

Title IX Amendment to the Foreign Assistance Act may reflect a certain skepticism about the alleged political spin-offs from aggregate growth. It is, in other words, a means of implementing the view that at least in the short run aggregate economic growth may not advance U.S. foreign policy objectives. It may even be inconsistent with them, if it is not accompanied by the individual's autonomous participations in social processes, particularly decision-making, and by a more equitable distribution of the wealth created by development. Growth alone may increase the observable gap between rich and poor and thus contribute to social conflict. The gap increases because the rich are in fact richer because if a few of the poor do find their way into the upper class, differences in wealth cease to be perceived as inevitable because the improvement in communications facilities (a by-product of aggregate growth) heightens the awareness of relative deprivation, and because the processes of economic development and the communications revolution disrupt traditional social ties. Increased social tensions may encourage the ruling elite to pursue more aggressive foreign policies or it may frighten them into efforts to close their societies or it may provoke insurrection with all its accompanying psychic and material costs. Civil war not only may imperil whatever development has occurred, but may also involve the society in great power competition with resulting danger both to the society's independence and international peace.

The failure of some U.S.-aided states to achieve more equitable, participatory societies has additional undesirable impacts on U.S. foreign policy objectives.

These flow from the identification of the U.S. with regimes widely perceived to be unjust. If the old elite is displaced by revolution, the successor regime's bitterness probably will extend to the United States. At best, cooperation will initially be difficult.

Secondly, as the nations sense of engagement in a perilous competition with another great power lessens, the identification of the U.S. with regimes which pursue policies antagonistic to the liberal values of a substantial segment of American society fosters domestic opposition to the entire aid program and generally to an active foreign policy. This opposition assumes various forms, including an aversion to government service and tends to concentrate among the more vigorous and certainly the best educated elements in the U.S. population. Even more seriously, the perception that the U.S. is supporting illiberal and possibly ruthless regimes abroad may erode the legitimacy of U.S. governmental institutions. A third highly undesirable consequence of such identification is a reduction in U.S. influence with important elements (particularly students and intellectuals) in other developed societies.

To the extent that Title IX implies that United States identification with narrowly-based coercive regimes results primarily from a disproportionate emphasis on aggregate economic development regardless of resulting social and psychic costs, it distorts reality. For as we indicated earlier, a large amount of United States economic assistance has been employed to strengthen regimes threatened by communist neighbors or an allegedly radical insurgency or as rent for United States military installations. In threatened states, U.S. resources were actually employed to promote economic development where development was perceived to be one means of strengthening the regime and the regime was interested in development programs. But in all cases substantial funds from AID and military assistance programs were allocated for purposes incidentally, if at all, related to development, such as the strengthening of the police and army and import programs designed to insure the allegiance of important social groups. Moreover even after the immediate threat receded and the bulk of resources were allocated to development programs, the alliance relationship between the United States and the donee regime, a product of the perceived threat, persisted and assured a continuing aid program until the achievement of self-sustaining growth, regardless of the regime's internal policies. Taiwan exemplifies this long-term relationship. The use of payments in the guise of foreign aid to friendly Third World landlords such as Liberia and Ethiopia was entirely subject to their whim. The reality, then, is that political objectives which prang from the Cold War womb have been the primary cause of U.S. involvement with regimes determinedly hostile to the goals articulated in Title IX, as well as other parts of the Foreign Assistance Act.

Since the broadly-based participation in decision-making which Title IX proclaims desirable require substantial freedom of speech and can be assumed to result in reasonably equitable distribution of wealth, or at least the equitable distribution of opportunity to acquire it, Title IX may reasonably be construed as Congressional endorsement of the fourth policy identified above. Therefore discussion of the position of Title IX in any hierarchy of foreign assistance policies is necessarily an examination of the relationship between the encouragement of congenial regimes and the other dimensions of United States policy for the Third World.

Unfortunately, the interrelationship of these policies frequently is extremely obscure. For example, consider Country X. It is one of the larger less-developed countries. Given its size, its resources and its relatively high level of development, it clearly has the capacity to acquire nuclear and sophisticated chemical and biological weapons within the next two decades. Thus, we have an important security interest in the country. It is presently governed by a narrowly based and repressive elite which is interested in economic development programs but openly hostile to aid programs likely to encourage the growth of alternative loci of authority. All autonomous groups including professional and labor organizations are ruthlessly suppressed. Educational facilities are being expanded on a phased basis with increasing industrial sector and bureaucratic requirements. The regime is specifically opposed to education for the sake of education.

Due to its resources and U.S. economic assistance, the country's GNP has been increasing at the rate of 6% per annum. Participation in the benefits of this growth is limited to a very few. Wages are low and the tax system is so administered that peasants, workers and lower civil servants pay a substantial portion of their income into the Treasury; members of the elite pay little or no taxes.

Is this a case where the security-dimension of policy conflicts with the objective of promoting participatory regimes? The answer to this question turns on the answers to a number of preliminary questions. Is the regime highly susceptible to our influence on foreign policy issues? Are there any latent conflicts between this state and its neighbors? Is the regime fairly stable and likely to remain so for the foreseeable future? Does U.S. economic assistance make an important contribution to the regime's stability.

What are the political alternatives to this regime? Are there covert ways in which AID can expand participation through the design of its programs? Will a subtle expansion in participation or at least the intellectual capacity to participate increase the threat of instability? Is the U.S. prepared to use military force to sustain the regime in the face of powerful internal opposition? What is the impact of U.S. identification with this regime on its influence in other countries? On the aid constituencies in the United States?

The first thing to note is that answers to all of these questions will at best be little more than informed speculations, and thus will be peculiarly susceptible to distortions resulting from the prejudices and values of the observer. The second is that even if we had high confidence in the accuracy of the answers, in many real-world instances they will not suggest a clear set of policy priorities. For example, suppose we are told that the regime is likely to encounter powerful domestic opposition within the decade and could be overthrown, that it thus far has been willing to follow our lead in foreign policy, that there is no latent conflicts between this state and its neighbors, that little is really known about the political objectives of the incipient opposition coalition, that given the regime's political shrewdness AID is very unlikely to succeed in efforts to engineer increased participation, that this regime is widely regarded outside the country as oppressive, and finally that our willingness to support this regime with military force cannot now be determined. Now what?

This suggests that a multi-factor analysis of the type just suggested is unlikely to be useful for operational purposes in the absence of certain gross judgments about policy priorities and about the application of those priorities to groups of states.

Particularly in Africa and Latin America, there are large numbers of states which because of their diminutive size or insufficient resources have little prospect of obtaining sophisticated modern weapons and which for a variety of reasons seem uninterested in or incapable of foreign

adventures. Once a state is placed in this category, the number of questions relevant to our aid posture is substantially reduced. In light of our foreign policy objectives, we might provide economic assistance to facilitate development or to promote participatory societies as ends in themselves. Since our interest is essentially philanthropic, our policy should be shaped by our capacity to contribute to economic growth and meaningful participation in value-allocating processes. Since AID resources are limited, we might reasonably decide to deny assistance except in cases where there was both some capacity for growth and interest and the host government was committed to these objectives. We are more likely to be successful demonstrably where those conditions are met and hence there is positive feedback from efforts in such countries to U.S. domestic political constituencies.

For states at this lower end of the continuum of United States interest, Title IX becomes a new and critical criterion governing the accessibility of United States economic assistance.

Well over towards the other end of the continuum of United States interests are the handful of less developed states with the size, population and resources which are the preconditions for political significance in international society. States falling into this category include India, Pakistan (?), Indonesia, Brazil and Nigeria. While the potential U.S. interest in these states is quite high, their size tends to reduce the incremental significance of U.S. assistance, and their complexity tends to reduce our ability to anticipate the consequences of different program designs. With respect to these states, then, either of the following positions would be reasonable. On the one hand, we might decide that since any prospective causal relationship between U.S. aid and desired policy objectives is highly speculative, the disadvantages of association with regimes perceived to be antagonistic to Title IX objectives justify termination of assistance. On the other hand, one might argue that even in cases where AID resources were unlikely to affect significantly either the prospects for economic development or greater participation, a substantial AID presence was sufficiently valuable in terms of information acquisition to justify a sizeable program. Actually the implied model is artificial because there seems little doubt that except in the rare case where the regime is disinterested in economic development and administration is corrupt and egregiously inefficient (Indonesia under Sukarno), at some order of magnitude AID resources would begin to make a difference. The present prospect is an AID program of such small dimensions that virtually all of its resources would have to be allocated to these large countries if the threshold of significance is to be crossed. If such allocations are not made, the model does begin to approximate reality.

A difficult alternative would be presented where we concluded that United States aid would contribute to economic growth but, because of the nature of the internal political arrangements, growth would significantly strengthen a repressive government antagonistic to Title IX objectives. If one accepts the accumulating evidence that at lower stages of economic

development, the quality of participation has little effect on economic growth, this hypothetical case is not unrealistic. One suspects, however, that regardless of the objective facts, no country is likely to be perceived in conforming with this model, unless the promotion of participatory societies becomes an explicit high priority of United States foreign policy. The emphasis which has prevailed for over a decade on development regardless of political and social costs and on maintaining a large U.S. aid presence would strongly incline observers to perceive the situation as one in which by means of shrewd program design, Title IX objectives could be covertly fostered. This perception would be buttressed by one article of faith and one assumed policy. The article of faith is that at some point down the line, economic development has positive participatory consequences and that it is not the responsibility of the U.S. Mission to be overly concerned with the temporal location of that point. The assumed policy is that the alternative of withdrawing assistance from a repressive regime is simply not contained in AID's repertoire of operational strategies, at least in countries of potential importance governed by regimes which are not presently hostile to the United States. In the changed international environment, Title IX considerations might justify reduction of assistance to a presence and emergency-relief level regardless of the impact on economic development. However, if the regime presented some immediate security problem -- if, for example, it was engaged in a potentially explosive dispute with a neighboring state and a continued large scale development program provided the U.S. with significant influence on the regime in such an event, Title IX objectives would probably have to be temporarily ignored.

Another significant category of states are those where our aid program is in effect the residue of cold war commitments. The relevant states would include Thailand, Laos, South Vietnam, South Korea, Liberia and Ethiopia. With respect to the two Indo-Chinese states, all one can say at the moment is that aid will continue until the war terminates, and post-war alternatives are so speculative and conflicting that any discussion of AID program alternatives at this point seems wholly academic. With respect to the other states in this category, the altered international environment with its concomitant attitudinal modifications, of which Title IX is a manifestation, require reevaluation of existing programs. Where, as in the case of Liberia and Ethiopia, the AID program constitutes little more than rent for military installations, reevaluation must take place within the context a broad appraisal of overseas military installations bearing in mind new, technological innovations. The continuing objective of discouraging the use of force by one state against another requires the maintenance of some deterrent capacity for mounting conventional military operations. Technological advances have enhanced our potential for executing conventional operations without reliance on facilities located in foreign countries. Where for economic or technical reasons a decision is made to maintain certain facilities, it might be desirable in view of our increasing concern with the consequences of economic assistance for democratic development, to remove the fig-leaf of development assistance from rental payments in cases where Title IX criteria cannot be met.

Appendix I contains a chart which attempts to identify and relate systematically the factors which must be evaluated in coping with the unique features of each aid recipient. It is hoped that the discussion above of principal alternatives with respect to different groupings of states will facilitate an approach to the weighting of those factors for some coherent weighting scheme is certainly a

Country Analysis

<u>U.S. INTEREST</u>		<u>ACTION</u>					
U.S. NATIONAL INTERESTS	SCALE OF U.S. INTEREST	URGENCY OF U.S. INTEREST	RELEVANCE OF ASSISTANCE	RELEVANCE OF TITLE IX	CHANCE OF ACHIEVING SUCCESS	COSTS OF ASSISTANCE	TIME FRAME FOR PROGRAMS
	<u>Security</u>						
1. Nuclear War							
2. Conventional War							
3. Peacekeeping							
4. Regional Defense							
<u>Economic</u>							
1. Trade							
2. Investment							
3. Resources							
4. Cooperation in fiscal & monetary							
5. Growing stable economy							
<u>Political</u>							
1. Cooperation in Int. systems							
2. Influence on other countries							
3. Bridge Bldg.							
4. Stable Institution							
5. Relations with U.S.							
<u>Social</u>							
1. Shared values							
2. Free travel							
3. Open society							
4. Opportunity for development of individual							
5. Welfare/humanitarian							

Concept & Measurement

CONCEPTS AND ASSESSMENT

Functional Group  
Title IX:  
Concepts and Assessment  
July 30, 1968  
Revised Final Draft

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CONCEPTS AND ASSESSMENT\*

Foreword

All societies are developing. Although directed to the low-income countries, Title IX deals with processes no less relevant to so-called "developed" or rich nations. The emerging doctrine concerned with our urban problems, racism, alienation, rural poverty and violence, for example, is composed of the several disciplines, the complex relationships, the causal factors and the social, economic and political phenomena which Title I. in the Foreign Assistance Act enjoins us to engage. Pressures and responses to them in the "developed" and "developing" countries will not be identical. Solutions to problems will take different forms. But the needs for sharing power more widely, for providing to all components of a nation access to its institutions and rewards, and for reducing the disparities which divide societies -- these needs are pressing around the globe.

There is, therefore, an international commonality of interest and concern for the problems and changes which Title IX seeks to confront. Implementation of this statutory injunction should reflect awareness of our own developmental problems, sensitivity to our limitations in solving these problems at home and abroad, and the realization that valid solutions will vary from society to society.

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\*"Assessment" relates particularly to the kind of quantitative and qualitative analytical tools, and their use, in diagnosis, prescription and evaluation.

## Part I: Concepts

### I. Background

Dealing with the subject of development means working with the whole society. Although not congruent with all aspects of national development, Title IX encompasses a wide spectrum of human affairs. However, not everything is Title IX. Title IX essentially relates to the character of economic growth, the nature of a society's institutions, and to the economic, social and political factors which unite or divide a nation. As will be seen later, the over-riding synthesizing theme of which Title IX is constructed is popular participation-- participation in decision-making, implementation and benefits of economic and social progress and in the process of self-government.

The achievement of basic changes in nations' social and political orders is a long-term matter. Even alterations in the structure of an economy or in the distribution of its output cannot be accomplished in the short term, although rapid progress in this area is sometimes more feasible than in social and political matters. It becomes essential, therefore, to restrain expectations concerning the results of "Title IX" programs or activities; it is imperative that there be perceived the limitations which nations themselves face, and even more certainly, the modest capability of external assistance, in bringing about alterations in a society; it is prudent for analysts, planners and programmers to respect this time dimension and avoid the trap of pressuring for and measuring superficial indicators of Title IX change, when the phenomena being sought simply will not surface for years. Development practitioners,

in the LDC's and in the donor countries, need the qualities of will, persistence and patience and must, in the language of the legislation,

"recognize the differing needs, desires and capacities of the people of the respective developing countries and areas".

This chapter discusses the Title IX spectrum of meaning and provides the basis for designing Title IX strategies and developing policies to implement them.

As introductory background, we relate Title IX to its foreign policy framework and refer to Title IX's ideological antecedents and counterparts in the U.S. and abroad.

#### A Foreign Policy and the Foreign Assistance Act

Title IX expresses some of the major goals of U.S. foreign policy. Taken in the context of the foreign assistance legislation and the background of legislative history, Title IX makes for a richer perspective and a sounder analysis of development which enhance the quality and relevance of U.S. international assistance efforts.

As an expression of our foreign policy and a major theme of foreign assistance doctrine, Title IX instructs A.I.D. to use development assistance to:

- . promote the kind of economic growth in the poorer nations which will involve and benefit the common man, even while these nations resist--and rightly--any suggestion of external intervention in their internal affairs;
- . promote the growth of societies--with representative institutions, public liberties, just and competent bureaucratic administration, including the administration of justice, and citizen participation--which are responsive to their peoples' growing demands for goods and services; and,

- . promote the reduction in economic and social disparities among regions, groups and sectors in the LDC's.

The notion of popular participation appeared in the 1966 act only once, and four times in almost identical language in the 1967 and 1968 acts. It is accorded more universal applicability by being included (along with the self-help concept) as the first of seven principles in the statement of policy. It appears a second time in the context of a statement of the purposes of development assistance, and a third time as the third of seven "self-help" criteria. The fourth and principal appearance of the doctrine of participation is the expansion of the text of Title IX proper.

It is evident that Title IX and related provisions of the Foreign Assistance Act of 1966, as amended in 1967 and 1968, mark a crystallization, if not a shift, in concepts of development and in what should be the U.S. purpose in assisting low-income countries through the foreign assistance program.

#### B. Title IX and the American Idea

Title IX concepts did not, comet-like, flash into the development sky. Not only were they a logical step in the sequence of legislation covering several years prior to 1966, but they also represent an ideological extension, to the work of the whole assistance agency, of what had, in 1961, become the conceptual guidelines for foreign assistance in Latin America-- as expressed in the Charter of Punta del Este and the Alliance for Progress.

Moreover, Title IX concepts reflect the populism and humanistic ideals so important in our early national development. These, in turn, spring from Greek-Judeo-Christian thought and tradition, in which the world was

characterized "as an arena of work and effort where needs and dreams can be satisfied." In short, Title IX is a re-affirmation of our traditional aspirations and an expression of our national faith in the coupling of material progress and liberty, and social justice and democratic political development.

C. Title IX Concepts Abroad

Neither democratic aspirations nor material progress are concepts monopolized by the U.S. or the developed West. Although traditional structures, composed of elements relating to caste, seniority, king, priest, warrior and land lord, have not been swept aside in all the low-income countries, it is clear that the revolution of political equality is, as Barbara Ward put it, "everywhere at work in the under-developed and uncommitted nations."

What Paul E. Sigmund described as the "ideology of modernizing nationalism" has emerged in most of the developing countries. Sigmund defines the goals of this ideology to include among others: "national independence; rapid economic development; the creation of a nation-state governed by a regime based on a populist identification of leader, party and people..."

Social and political transformation, with few exceptions, is the goal of most LDC leadership. Africa's leaders, for example, have traditionally espoused the themes of humanism, egalitarianism and individual rights, although the forms and patterns of the higher-income democratic west are not necessarily regarded as suited to the African milieu. Beliefs which include concepts of populism, popular sovereignty, political equality, consensual decision-making, pluralism and democratic equality, stand at the basis, with varying emphasis, of the ideologies of leading African statesmen today. For Tom MBoya, the essential of democracy is : "free association of all the people

of the country with the control and functioning of the government at all levels; and the existence of various democratic voluntary bodies...to help influence the activities of those in power."

Mohammed Ayub Khan set down in 1965, a challenge to the West. In a sense, the Title IX amendments represent an explicit reaffirmation of the U.S. acceptance of that challenge. Ayub Khan wrote: "...each emerging country must be encouraged to develop a system of democracy which its people can understand and work. If the West is the friend of democracy then it must do all it can to encourage such a trend."

## II. Title IX Concepts and Language

Rather than re-state the Title IX language, the several relevant sections of the FAA or the pertinent portions of the legislative history, this section attempts to interpret the motivations which led to the statutory instructions and sets forth the benchmark propositions and key concepts which compose the broad Title IX guidelines for the conduct of foreign assistance operations.

A variety of Congressional concerns led to Section 281 of the Foreign Assistance Act of 1961, as amended -- the so-called "Title IX" provision in the 1966 act. These concerns, partly expressed in various amendments and statutory injunctions prior to 1966, were further reflected in additional amendments to Title IX in more recent foreign assistance legislation. Congressional apprehensions relating to U.S. foreign assistance performance, and Congressional views and assumptions concerning the development process included:

- . the view that economic growth is neither the ultimate objective of aid, nor an adequate measure of its success.

- . the proposition that political and social instability threatens economic progress and creates a vulnerability to internal and external subversion.
- . the belief that failure to engage all available human resources acts as "a brake on economic growth."
- . the belief that large numbers and groups of people were neither sharing in national economic progress nor in such economic fruits as U.S. development assistance made possible.

These ideas add up to the conclusion that economic growth can proceed without social and political development, that per capita income does not measure the well-being or prospects of a nation or its people, and that misery and hopelessness do not necessarily decline as savings and investment rates, export earnings and foreign exchange holdings grow. The Congress, therefore, sought to instruct A.I.D. to use its resources to address the multi-dimensional problems of development and modernization. But the Title IX language, as clear and specific as it is, does not fully define or explain the very complicated social, political, cultural, psychological, and economic phenomena or their interrelationships, which are involved in implementing Title IX objectives. The more detailed conceptual and operational implications of the Title IX language are dealt with throughout this report. At this point, however, it is useful to identify the principal broad areas of activity to which Title IX is addressed:

- . democratic private and local governmental institutions
- . maximum participation in the task of economic development
- . use of indigenous intellectual resources
- . recognition of the uniqueness of individual peoples and countries.
- . civic education and training for effective participation in the processes essential to self-government.

### III. Major Title IX Program Thrusts

As indicated earlier, Title IX's central theme is the promotion of popular participation in economic development, civic and governmental processes. This over-riding thrust has many program consequences, if participation is to be made effective. For example, as stated in a House report,

"the development of an infrastructure of self-sustaining, viable institutions on the local, provincial, and national levels is necessary to achieve popular participation in development and to enhance the success of development undertakings."

#### A. Popular Participation

In political and philosophical terms, interest in participation largely derives from concern for enhancement of human dignity and the human spirit, from the concept of popular sovereignty and from the value system which argues that diffusion of power is essential to democratic development. These are the purposes of economic development and socio-political modernization. The participation dimension of Title IX has also been described in the following concrete terms:

"The U.S. foreign aid program should place new emphasis on the need for the growth of popular participation in the development programs of the developing countries..."

"Unless the people benefit from development efforts, no meaningful progress can result from foreign aid. It is equally true that unless the people contribute to development efforts, no meaningful progress can result from foreign aid..."\*

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\* Excerpts from the statement of 25 Republican Congressmen, Congressional record, March 15, 1966.

Responding to the desire of individuals to participate in their society, at one or more levels and in various ways, is obviously much more than a matter of rhetoric. Realistic opportunities and institutional channels must be created and sustained, and primarily but not exclusively at the local level. Individuals must perceive their participation as being meaningful, by being able to influence and benefit from the institutions through which participation is exercised. For institutions to perform fully, not just in making participation effective, but in integrating individuals, groups and communities into national life, operating links between participation and institutions at the local community level must be forged with institutions at the provincial and national levels.

1. Elements of Participation

The concept of popular participation can be divided into three elements which are analytically separate, although in practice they often appear together.

Participation in decision-making is participation in the process by which priorities are selected and programs affecting growth, or the people, or both, are made. While Title IX, itself, specifically calls attention to governmental decisions on a local or community level, the concept of participation at higher levels of government is not inconsistent with the language of Title IX and is, in fact, called for by other provisions in the law. This form of participation is not limited to participation in the decisions of official public governments--that is, the government of the national state and its subdivisions, component states, and local governments. Title IX specifically includes participation in decisions that might be

considered to be outside the sphere of official public governments.

Marketing decisions, which might be made through a cooperative, and decisions on the management of labor, which might be affected through labor union activity are examples of areas where participation in economic development could be called for outside the official public government structure. Thus, broadened participation in decision-making can be fostered in several ways, including via

(1) encouragement of democratic institutions and processes; (2) forms of decentralization; and, (3) increased number and effectiveness of voluntary organizations.

Because participation in decision-making is so closely tied to the nature and performance of institutions, it may be a useful focus for describing how modernization may best be pursued.

Participation in the benefits of growth-- material, cultural, civic, and psychic--is a matter of clear concern in development as conceived in the Foreign Assistance Act. Participation of this kind does not necessarily mean an immediate redistribution of returns among the entire populace, but participation is weak if there are overwhelming inequities, and if structural obstacles exist to the elimination of these inequities. Although the evidence does not indicate a clear connection, one might assume a relation between participation in decision-making and participation in benefits; and that effective participation in decision-making will lead to a share of benefits growing out of those decisions. However, participation in economic and social progress--"distributive justice"-- should not await the perfection of instruments and institutions which assure effective participation in decision-making. Economic policies and programs,

especially at the central level, and national legislation, will generally be required--agriculture prices and incentives, tax and monetary policy, governmental expenditure programs, trade and commercial policy, minimum wage and welfare laws, for example--to achieve a desirable measure of "distributive justice" which short-falls in decision-making participation would not permit. Other central decisions, for example, on matters relating to economic decentralization and location of infrastructure will also have important "distributive justice" effects. Depending upon how a society is organized, more equitable participation in public services and in education may also require executive action at the local, state or national level, partly because the decision making establishment may be less participatory than is desirable.

Participation in implementation is the third kind of participation. That is participation in the activity and work of development, through sharing in the labor and in the investment, and through sharing in the jobs or prerequisites involved in the activities undertaken to foster development. Participation in implementation may not be a favorable thing when volition and the other aspects of participation are absent. If people participate in development solely through the furnishing of slave or coerced labor or the payment of taxes, then participation in implementation is not a positive accomplishment. If, however, they have a chance to share in the desirable or desired parts of the infrastructure of the economy and if they have the opportunity to be involved in carrying out the decisions they participate in making, with a reasonable hope of obtaining a just share of the benefit, then this form of participation is clearly desirable.

Why be concerned about participation? Supplementing earlier comments, the first answer is that our country does not want to uphold tyranny and because our concept of development contemplates the maximum volition and benefit for the maximum number of people, combined with the protection and equitable treatment of minorities. Government and society of, by, and for the people is national policy, as reflected in the Foreign Assistance Act.

Another aspect of the rationale for stimulating participation in its three dimensions can be summarized as follows: popular participation in the economic, social and political processes of a nation, worked out through democratic institutions as well as via the activities of individuals, would redistribute economic and political power, thereby reducing imbalances and inequities, and the tensions associated with them.

The 25 Republican Congressmen put it this way:

"In short, an economic infrastructure cannot provide meaningful human progress unless it springs from a vibrant human infrastructure. The task of development might best be expressed not in sterile economic terms, but in terms of the people--their awareness of the possible, their education and skills, their determination and participation--the impetus they provide and the satisfaction they receive."

"A human infrastructure where the people are engaged and engage themselves in the process of development can assure progress--in social, cultural, political and economic terms..."

## 2. Relationship Between Participation and Economic Growth

The House Committee on Foreign Affairs found that:

"...it has become increasingly clear that failure to engage all of the available human resources in the task of development not only acts as a brake on economic growth but also does little to cure the basic causes of social and political instability which pose a constant threat to the gains being achieved on economic grounds."

It is appropriate to note that increases in participation could impede growth--to maximize output or raise efficiency may call for relatively more capital and less labor; increases in participation may result in uneconomic decisions with respect to resource allocations, substituting for superior resource combinations which would yield higher output and/or lower cost. It should also be noted that, even in those instances where increased participation is inimical to economic growth, the "trade-offs" in political and social terms may make such participation desirable. Moreover, the possible conflict between participation and growth may very well be only a short-run, with the short-run cost to growth being at least offset by higher levels of growth in the long term than would otherwise have been achieved.

However, to note these possible conflicts is simply to caution that increased participation is not always desirable, to be pushed at all times at any cost.

It is much more the case that expanded participation will enhance growth. Broad economic policy thrusts which amplify participation by expanding opportunities and widen incentives, creating a favorable, more participatory environment, will inevitably stimulate growth. In other respects, economic growth and development would benefit from expanded markets which in turn make more possible the economies of scale--market expansion may require conscious policies aimed at extending the benefits of participation through income redistribution and employment creation. Finally, economic growth will also often have a favorable effect on participation by enlarging the opportunities and incentives for participation.

B. Democratic Public and Private Institutions, at All Levels

The strains placed upon political and social institutions in both new and old societies have seldom, except perhaps for periods of revolution, been more severe than in recent years. Demands are escalating. Perceptions of justice and of human capacity to change the environment, as well as dissatisfactions with the results of existing structures--abetted by technological and other changes in communications and transportation--are stirring and growing. The patience of heretofore fatalistic, enduring sectors of low-income countries is rapidly disappearing. The capacity of institutions to confront and resolve the issues raised in these societies may well be the key to peaceful, even if revolutionary, progress.

As noted above, to be effective, the widespread participation of the people in the political process must be done within the context of political organization or institutions. This relationship between participation and an institutional framework within which it can be channeled is clearly recognized by Title IX. The existing institutions such as the legislature and political parties can be improved as means through which the popular will is made known and expressed. Other means of expressing constructively the popular will including private and voluntary groups as well as governmental entities can also be effectively used. Although political parties are not specifically mentioned (as are cooperatives, trade unions and voluntary organizations) in various Congressional explanations of Title IX, it is conceivable that they can also be treated within the meaning of Title IX. Certainly the existence of vigorous political parties is essential to a political system. However, the kind of external assistance which can be

given to parties is limited. Training in organization and leadership might be given directly or might be given indirectly through strengthening legislatures whose members are, after all, party representatives.

The Congress and A.I.D. explicitly reject any insistence upon the establishment of carbon copies of American or Western institutions. However, programs and activities aimed at fostering democratic public and private institutions, at the local, provincial and national level, should work toward particular results and should possess, ideally, a wide range of characteristics.

For example, these institutions should:

- . Encourage and facilitate the involvement and civic consciousness of the people;
- . Increase the capacity of government at all levels to perform, to accommodate change and to administer development;
- . Help establish among their members and those they serve, a sense of common purpose, in which all share, to which all can contribute, and through which all can benefit;
- . Provide in a reasonably competent and sustained fashion, valued goods and services;
- . Provide linkages of participants to their local, provincial and national environments; and,
- . Influence other public and private institutions which have power to decide on matters affecting their members' interests.

Institutions should be established and strengthened which are open to the citizens they serve, receptive to influence from below, sensitive to requirements and aspirations, and which, in sum, lead to a broadened base of decision-making and reflect a democratic organization of popular efforts.

Institutions will be effective if they respond to change, maintain a reasonable balance between their own and the wider public interest by sensibly mediating between their clients and other elements of the power structure (including the legislative and executive branches), and if they provide an operating, credible structure for channeling and making productive the wide range of participatory activities which the citizens are moved to undertake.

With respect to non-government institutions, government, particularly at the national level, has a responsibility to set forth policies, regulations, laws--create an environment--which encourage and permit the effective functioning of these institutions in the nation's economic and civic processes.

In short, institutional capability places a ceiling on the effectiveness or fruitfulness of popular participation and on the capacity of a society for peaceful change. In this connection, it is the rule of law which provides the environmental framework for uniting viable institutions, personal liberty, and popular participation. The concept of the rule of law, which is set forth several times in the Foreign Assistance Act, complements and undergirds the objectives of Title IX. The rule of law concept protects against arbitrariness and whim in political rule. To be effective the concept must permeate all actions of government, both judicial and administrative; and its exercise must match expansion in popular participation. Thus the rule of law binds together the fundamental political ideas contained in a given system's constitution

and the totality of governmental actions, and its implementation can be manifest only through institutions.

C. National Participation ("National Integration")

Several of Title IX's explicit and implicit targets relate to national integration, in the sense of making it possible for people to participate in their nation's or community's life productively and justly .

A whole host of programs, activities, and projects come to mind as desirable options for fostering national integration. The appropriate combination of policy and action which would effectively promote national integration obviously depends upon many considerations, including size, topography, political traditions and experience, structure of the economy and level of development. It is clear, however, that what has been determined to be Title IX's major program thrust--popular participation, with its consequent emphasis on the instrumentality of institutions--provides a key program framework within which national integration can be effectively promoted-- by reducing economic, political and social disparities between geographic areas, ethnic and religious groups, and modern/urban and rural/traditional sectors; by fostering a sense of sharing in and benefiting from national purpose, identity and community; and, by stimulating attitudes of individuals, groups and institutions which value and seek cooperation and unity in public and private performance. In addition, of course, national integration may be promoted in other ways consistent with but not always "pure" Title IX imperatives: for example, roads, power and other elements of physical infrastructure; actions leading to a more competitive economy, increased social mobility as well as mobility of the factors of production.

V. Title IX and "Political Development"

Many of the ideas described above are clearly related to, and are sometimes referred to as, "political development." Such a description is accurate in the senses that: modernization requires a participating society; participation to be effective must be channelled through institutions; nation-building needs a growth in the capacity to govern and increasing bureaucratic competence; and, developing societies need to construct socio-political systems which can deal with the requirements and demands associated with expanding participation, accommodate to change, and create an environment in which institutions can function within the rule of law.

But the phrase "political development" as a description of Title IX may also be misleading. It may go too far if it is taken to include the processes of partizan politics; or if it suggests the achievement of stability which precludes change; it may not go far enough if it does not include the democratic idea--strengthening a central bureaucracy may be inappropriate if it is not representative and is not inclined to respond to the just needs of the people.

Although Title IX instructs A.I.D. to help recipient governments to administer development, its intent and the entire legislative history makes it evident that "politics in aid recipient countries is their business, not ours", and that although A.I.D. should be involved in "political development" in the senses described above, it is not concerned with the partizan politics nor with the establishment of particular governmental institutions.

IV. Title IX as 'Goals', 'Means' and 'Program Dimension'

A. Title IX as 'Goals'

The line between goal and means is especially difficult to establish in Title IX matters. And it may not even be always particularly useful to draw this line, because of the limitations of global goal concepts in serving to inform strategy, tactics and programs. However, if Title IX has goal significance, then when priorities and choices among program options and resource allocations have to be faced, an important determinant will have been added to the conduct of international assistance.

One way of describing Title IX is that, in emphasizing the democratic aspect of institutions, in stressing popular participation, and in giving greater but not preclusive focus to the local or decentralized aspect of the centralization-decentralization equation, Title IX puts us on the side of strengthening certain characteristics, of a behavioral and attitudinal sort, in the developing countries.

These characteristics are desirable in their own light, because of their essentiality in establishing the quality of living and the fundamental nature of man's relationship to nature, to other men and to institutions, which are the shadow-reflections of human value systems. Title IX talks about a way and a view of life, without specifying its forms.

The basic societal characteristics with which Title IX is concerned are part of the ideology, personality and style of societies and are important determinants of national policy at home and abroad.

Title IX gets at the attitude of men toward themselves and towards their ability to shape the natural and social environment. It deals with the character of man's involvement in society.

Title IX objectives are worth pursuing, even if their achievement does not serve other objectives.

Congressman Morse put it this way:

"The social and political textures of societies are really our number one concern. Economic assistance and growth are supportive. AID's organization and outlook should reflect that view."

Seen in this light, it becomes important to consider the ways--as mentioned above--in which a variety of policies, not usually considered is Title IX, might be pursued to achieve Title IX objectives. (See the discussion below on 'program dimension'.) Other goals, economic growth, for example, may be pursued for several reasons, including the very important one that growth may help to make it possible to extend fruitful participation, to provide additional resources with which meaningful and rewarding decision-making can deal. It has been established, however, that economic growth does not automatically assure either the formation of public and private democratic institutions or effective popular participation.

B. Title IX as 'Means'

Title IX activities can be addressed to Title IX goals or serve other U.S. objectives. They may have positive effects, for example, on economic growth or foreign policy.

1. The effect of Title IX results on other objectives page 20

The Foreign Assistance Act aims largely at fostering economic development. Linking Title IX with that objective, the report of the House Committee on Foreign Affairs found that:

Over the years, in exercising legislative oversight with respect to the administration of the Foreign Assistance Program, the Committee has observed that there is a close relationship between popular participation in the process of development, and the effectiveness of that process.

The Committee also noted that:

The great potential for planning and implementation of development activities, contained in the mass of the people of the developing countries is still largely untapped, which slows down the achievement of the objectives of the foreign assistance program.

It is also fair to say that the Committee as well as other supporters of Title IX, concerned with the need for a compatible international environment, whether in strictly national security terms or in broader international peace terms or both, believed that the pursuit of Title IX, as an explicit priority of U.S. foreign assistance policy would help to achieve those objectives.

2. Title IX 'Means' to achieve Title IX or other objectives

Already suggested or implied are several kinds of activities, institutional approaches and targets, and courses of public policy-- Title IX 'means'-- which would bring about Title IX results and/or abet the achievement of other objectives. These elements encompass tools or activities by which Title IX and other targets can be sought after. Changes in the 'condition' of these elements can also serve

as indicators of Title IX progress. (See Part II, "Assessment") page 21

For example:

- Freedom of dissent
- Governmental and other institutional responsiveness to needs, hopes, preferences
- Mechanisms for transferring power, resolving conflict constructively, justly, promptly, and peacefully

Another set of situations, to which Title IX approaches could be addresses, and which, depending upon their evolution, would influence the Title IX context, include:

- Matters relating to multiple sources of responsibility and influence, the dispersion of political and economic power: hierarchical arrangements and relationships; the nature of economic competition and social, economic and political mobility; decentralization.

(For further elaboration of Title IX as "means", refer to the earlier discussion of the relationship between participation and economic growth.

### C. Title IX as 'Program Dimension'

Title IX is not a set of specific projects. It is not intended to constitute a separate, self-sufficient basis for international assistance. It does broaden the basis upon which foreign policy and assistance strategy are determined; it does add to the criteria used in evaluating the results of our assistance; it does influence the ordering of priorities.

In March, 1968, before the House Committee on Foreign Affairs, Mr. Gaud put it as follows:

"Title IX is an important stimulus to our efforts to get more people involved in the development process. It is moving us from reliance on instinct and experience to more explicit consideration of the problems and opportunities we have to deal with. In our view, the objectives of Title IX must be at the core of our development assistance. We have not tried to design a specific package of projects labeled Title IX. Instead we are trying to build Title IX

o objectives into the design and implementation process of the AID program. We want Title IX considerations to be weighed--

When we decide on the overall composition of a country program;

When we prescribe the negotiating instructions for a program or an agriculture sector loan;

When we decide on a particular capital assistance project;

When we undertake and evaluate technical assistance activities;

When we support the development efforts of private institutions."

D. Possible Conflicts Between Title IX and Other Objectives

It would be nicely convenient if the pursuit of Title IX objectives or programs were always consistent with, complementary to, or supportive of, other goals. This is not always the case. Maximizing output or efficiency can, for example, call for reduced employment, greater centralization, reduced participation in decision-making on, or implementation of, developmental activities.

It should be clearly recognized, therefore, that the Title IX injunction, say with respect to popular participation in the task of development, does not over-ride all other objectives, just as economic growth or the attainment of specific savings or export performance should not supercede all other goals.

Simplistic or exclusive and inflexible priority-ordering is simply inappropriate, let alone usually unrealistic. All out achievements on one front can exact too high a price on others. To assemble the optimum set of public policies, to prepare that "balanced" development strategy which best responds to a society's values and the obstacles to their realization, requires a constant assessment and determining of "trade-offs" among objectives. The entry, as explicit U.S. policy, of Title IX considerations, does not alter the fact of life with respect to limited resources and unlimited requirements.

Further elaboration of these conflicts can be illustrated by looking at participation as it impinges upon growth, stability and bureaucratic competence. For example, two sources of possible conflict between economic growth and participation deserve mention.

One is that emphasis on growth has tended to cause disregard of unemployment--which may, depending on the circumstances, be judged to be a priority Title IX target. The United States has hailed the rate of growth of aggregate and per capita income in countries in which open or disguised unemployment remained static at 8 or 10 (or a greater) percent of the labor force, and in which the development program of the country contemplates no reduction in the rate of unemployment. Minimum regard for the Title IX directive would seem to dictate a change in this attitude and policy and an exploration of programs which reduce unemployment at least without resulting in "excessive" cost in growth terms.

Another possible conflict is this: economic development will occur because innovative entrepreneurs perceive and execute ways of making goods with fewer inputs per unit of output than was previously done within the country. They make the same goods with less cost, or make superior goods which attract buyers. In either case, they widen profit margins. The distribution of incomes becomes more unequal. In the absence of governmental intervention, the degree of inequality will tend to continue to increase until the number of innovators becomes so great that their competition for customers' expenditures counterbalances the profit-widening effect of successful innovation.

The point here is that : the increased inequality of income is often a necessary concomitant of development (or at least a stage of development) and therefore desirable. To prevent it would inhibit development. The short-run Title IX interest should not, perhaps, be weighed as equal to the longer-run growth interest. Prudent government actors may moderate the effects. And if the innovation creates unemployment, the government should probably create employment. (This is not to say that more equitable income distribution may not, in other situations, stimulate growth--morality and sound economic policy join if widening the market (effective demand) is needed to stimulate production and secure the benefits of scale.)

De-centralization is often espoused as one way of achieving increased participation, regarded as a useful way to achieve it. But if the capacity to govern (let us say, bureaucratic competence) is itself essential to growth, stability and perhaps even, ultimately, to participation, then misplaced decentralization achieved via unstructured participation may sacrifice higher priorities, by eroding and weakening the capacity to govern. The central authorities may not be able to perform their functions.

To broaden participation indiscriminately without regard for rectifying the apparatus which already exists or without being able to increase resource availabilities to respond to the pressures of increased participation may very well bring to the system more instability than it can support. This risk is said to exist in those highly politicized, low-income countries whose economies and socio-political structure would be unable to meet the demands which broadened participation could generate.

There are, in short, risks in the implementation of Title IX-- economic risks, for example, in the sense that popular participation may, in the near term, be economically inefficient; political risks in the sense that potentially powerful social forces may be unleashed without assurance that they can be productively channeled or controlled. But the policy calculus should also consider the risks in not responding to, and thereby not constructively influencing, popular aspirations and social pressures.

VI. Meaning of Title IX for the Agency for International Development

The foregoing discussion does not provide the very precise answers which foreign assistance planners, programmers and operators would like to have to such questions as:

Given Title IX, what, exactly, are the weights or priorities to be assigned to economic, social and political objectives? Are they equal?

To what extent, and how, should AID: (1) alter its country strategies, and resource allocations among and within countries; (2) redesign, if necessary, its style, posture and assistance relationships, including the themes and points of emphasis of its bilateral dialogue with low-income countries around the world; and, (3) its organization, research programs and its approach to the training and recruitment of personnel?

Even if there is full agreement that AID has been instructed by the Congress to become a whole development agency--stimulating economic growth, and fostering democratic change in the social and political orders of the developing countries, in contrast with a conception of the Agency as primarily an institution to promote economic growth--detailed, precise answers would still be difficult to contrive.

But Title IX does call for changes in the Agency and its operations. The Endicott House Conference recognizes that the required alterations cannot be completely specified or minutely quantified but believes that, on the doctrinal side, they can be summarized as follows:

1. Economic growth and development should not be considered the only or ultimate objective of foreign assistance. But while adding, as objectives, and as criteria of the effectiveness of assistance, democratic

social and political growth, economic development remains a major agency priority.

2. Analyses and policy to cause economic development programs to stimulate social and political development of the LDC's should be assigned higher priority than in the past. This stems from their desirability, per se, as well as from the need for the LDC's to develop socio-political structures which can handle, equitably and peacefully, inevitable shortfalls in economic progress. The real prospect is that the gaps between rich and poor nations are not likely to diminish for many years and that the gaps between LDC material aspirations and actual economic performance are not likely to be significantly closed for some time.

3. Progress in the creation of democratic social and political systems and the programs required to achieve it should become important determinants of assistance strategy, policy and resource allocations. Although it will probably be true that economic, social and political growth policies will generally reinforce and complement each other, the importance of democratic social and political development growth, in its own right, will sometimes require a shift in assistance strategy and programs from those which purely economic growth criteria would have called for.

4. Title IX objectives and priorities may suggest that it is in the U.S. interest to continue assistance even after the need for concess- sionary aid has disappeared. Although technical assistance might be stressed in these circumstances it may also be important to continue substantial economic assistance if this is required for the recipient country

to make possible significant Title IX advances, or if U.S. economic assistance makes possible the useful exercise of leverage or influence to influence Title IX objectives. Title IX considerations may also cause the U.S. to withdraw or terminate its assistance, if the host country is not seriously self-helping in the Title IX sense (and has no intention to do so) prior to the time when strictly self-sustaining growth criteria would have required.

More explicit and precise guidelines will probably have to await further agency experience with Title IX, as well as the evolution of U.S. foreign policy and perhaps, additional elaboration of the Congressional injunction.

#### VII. Summary

U.S. foreign policy, and the Foreign Assistance Act as amended, including Title IX as an expression of that policy, enjoin AID, at the outset, to assume a positive attitude toward Title IX implementation, and to place it at the core of development assistance. The question: "Why should we build Title IX into our assistance programs?" is, under these circumstances, not fitting. Rather, the question should be: "Why shouldn't we?"

"U.S. foreign aid must strive to help recipient countries to build the human base of popular participation which will create progress and allow people to share in that progress."<sup>4</sup>

But how, when, to what extent and in the last analysis, even

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<sup>4</sup>From statement of 25 Republican Congressmen, op. cit.

whether to pursue Title IX objectives and activities in individual countries, depends upon a careful assessment of individual host country situations: receptivity: U.S. resources and capacity: other USG objectives, including effect on U.S. relations elsewhere: LDC policy and capacity risks and chances of failure/success. Such an assessment, in determining the weight or priority to assign to Title IX matters, will also include consideration of: the level of LDC economic activity: the demand for and extent of popular participation in the development (broadly conceived) process the institutional structure: the capacity to govern: and the structure and requirements for national integration.

Part II: Assessment

I. Why we need indicators?

A. The need for acquiring long-run perspective and the information necessary to understand long-run socio-political change

If Title IX is to be vigorously pursued by A.I.D., in the same sense that economic development is rigorously pursued -- a long run, year in, year out concern of every Mission -- then we need a factual base and a theoretical base relating to socio-political change, of the sort that we know is indispensable in contriving programs for economic development. Without this factual and theoretical base we may very well do more harm than good, or, in acting blindly, spoil our chances for Title IX success at a later point when we know more. We need Title IX data series and sharpened Title IX concepts and theoretical insights. These are necessary: for diagnosis of the Title IX condition of a country and its change over time; to choose priorities for Title IX developmental projects, and to assess their consequences.

What we can do in any LDC is sensitively constrained by:

(1) the present structure and trends in the economy, society, and polity; (2) the receptivity\* of the host government to our Title IX efforts and intentions; and, (3) the nature of U.S. interests in that country. A set of all-purpose, all-country indicators of Title IX conditions and change may be impossible to contrive because we are \* "Receptivity" includes the LDC response to programs, projects and activities in which the US is interested for Title IX reasons, while the host government may be interested for other reasons--e.g., education, physical infrastructure.

dealing with such a large group of countries (which, because of their heterogeneity defy neat inter-country contrasts) and because there are so few established theoretical insights into sequential change of societies and politics.

B. Diagnosis and Assessment

Title IX indicators serve two purposes: initial diagnosis of the Title IX condition of a country so as to help decide in which countries Title IX programs should be pursued and, within countries, to choose priority areas for program and project selection; and assessment of the results of such specific A.I.D. programs, once initiated, as well as changes in the over-all Title IX condition of a country, whether or not these changes are related to A.I.D. activities. Both diagnosis and assessment require a mixed bag of indicators and guideline criteria -- qualitative and quantitative, rural and urban, macro and micro, economic, social and political. We need organized data series in order to choose projects and then assess their consequences. Inevitably (as in economic development), we need a set of indicators, a composite or "profile". No single number or data series is sufficient.

There are both macro and micro dimensions to Title IX implementation and therefore to assessment indicators. Title IX objectives are fulfilled by increased national participation as well as by sorts of increased micro-participation emphasized in the Title IX legislation and documents.

In broad terms, national participation is furthered by a decrease in dualism; when more people within the nation speak the same language; when more regions have access to roads, electricity, newspapers, and governmental services (education, health, courts, agricultural extension); when regional, rural-urban, and ethnic group differences in income diminish; when all regions and ethnic (or other) groupings can effectively register their national political preferences and determine or meaningfully influence central government personnel, party, and policy. Responsiveness of central government to regional and ethnic group preferences is a macro problem.

Increased national participation means (1) increased mutual dependence (economically, politically, and culturally) among sub-groups within the nation; (2) also, an increased flow of material and cultural transactions among local groups and between local and central groups; (3) also, enlarged mutual identification with persons, institutions, symbols, and values external to the local village community.

For Title IX purposes then, we need one set of indicators of the extent of national participation which tell us the scope and variety of regional and local group economic and socio-political participation in national life.

We mean by micro-development, an increase in the extent of participation in modernizing sorts of local organizations such as those mentioned in Title IX documents: political institutions, such as local parties and local government; economic institutions, such as cooperatives,

trade unions, and community development and other extension agencies; voluntary associations of a social or cultural sort. We need then, a second set of indicators which tell us the extent and variety of individual participation in grass-roots organizations, rural and urban.

A third set of indicators would attempt to portray the depth and variety of social, political, and economic malaise (conflict, instability). The point here is to identify acute problem areas (analogous, perhaps to balance of payments problems) to which Title IX programs might be addressed. These indicators almost certainly would have to be qualitative (although information such as the frequency of strikes, group violence, or hostile political demonstrations would be relevant).

We would also want some qualitative assessment of the extent of institutionalized repression, that is, the extent to which malaise is not allowed to be expressed overtly.

Finally, Title IX indicators could usefully serve as shorthand expressions of desirable goals in our dialogue with host country governments. These indicators can be thought of as equivalents to "Growth in GNP," and "a healthy balance of payments surplus," to indicate progressive changes of sorts worth pursuing by deliberate efforts, just as economic growth is worth pursuing.

## II. Indicators

The assessment of participation cannot be done with quantitative information alone. Nor are all assessment indicators to be regarded as of equal importance in all countries. We do not have in our conceptual

armory a typology of LDC's which would enable us to specify which Title IX indicators are most important in which type of LDC. The creation of such an analytical typology should be a matter for Title IX research.

It is useful to compile statistics on facilities which may be regarded as preconditions and instruments for increasing participation, such as the number of newspapers, the frequency of elections in a stated time period, miles of improved highway, literacy and education, and land tenure patterns. Such statistics should be supplemented by qualitative analysis of their meaning and relevance for participation.

The kind of qualitative information required is suggested by the following "impressionistic" questions.

Is the regime notoriously repressive or corrupt?

If the answer is "yes", then Title IX considerations should make the country an unlikely candidate for aid extended solely for economic development purposes. If there are other purposes that make it imperative to extend economic assistance, Title IX would dictate that the program be so structured as to maximize the opportunities for the development of responsive and representative institutions, and -- unless overriding national interest considerations dictate otherwise -- to avoid a close identification between the United States and the regime.

Another impressionistic question is:

In the foreseeable future, is the regime interested in promoting participation to the maximum extent consistent with local conditions -- including other modernizing requirements and the desires of the people,

and is it interested in establishing the institutional framework needed for effective participation?

No precise answer can be given to such a question, but if the answer is clearly negative, Title IX would appear to weigh against our giving any or substantial economic assistance. If there is a clear negative, but economic assistance is to be provided nevertheless, then substantial efforts may be called for to encourage development of the country's interest and capacity for pursuing Title IX objectives.

A third impressionistic question relevant to Title IX is:

Is the regime, with assistance, capable of following through on its interest in promoting participation and establishing the needed institutional framework?

If the regime is not capable, then the economic assistance may be wasted. The word "regime" in these questions includes the government and all the forces that govern or control the country or are capable of obstructing the government.

Participation requires healthy public, private, and mixed institutions and voluntary associations through which people can effectively express their will in activities which carry out development tasks and through which they can obtain the benefits of economic and social modernization. Title IX implementation requires institutional capacity and strength combined with adaptability. People must be served and not oppressed by institutions. Institutions should support and reinforce rather than suppress participatory modernization.

While there are difficulties with quantification, that fact should not prevent work from going forward on the identification of factors and forces whose measurement would have meaning. It is imperative that such work be encouraged.

Work should also go forward to develop quantifiable data that show the relationship, in both directions, between economic growth and participatory societies and between participatory societies and stability.

If A.I.D. has not already done so, Title IX demands a follow up on its earlier efforts in this field and revision of its programs and aspirations, as experience and reflection make appropriate.

We have listed below some significant indicators that might be used to evaluate progress toward Title IX objectives in a country. These indicators fall into two categories. One category deals with national participation and integration, and overall socio-political structure. This category gives a picture of the preconditions for effective participation in decision-making and in carrying out development activities. The other category deals with participation in the benefits of economic activity.

These are macro-indicators. They deal with entire countries. In some cases, differences and fissions within a country will make countrywide answers impossible. In these cases, it will be appropriate to apply them to specific regions and sectors and communities within the country. It will also be appropriate to most other situations to make area and community analyses in addition to country analyses.

These indicators may be used both to show an existing situation and to show change.

Increases in each indicator do not necessarily show improvement in the amount or quality of participation, or the basis for participation, or in development. For example, there may be cooperative or savings and loan societies for individuals who do not have the experience or training, the trust in each other, or the view of the future needed to make the society function well. If that is the case, the society may well serve perverse purposes, and an increase in such cooperatives should not be considered a sign of progress. Qualitative appraisal of performance is also necessary. Each indicator must therefore be examined and explained critically if the analysis is to be useful.

A. National Integration and Socio-Political Structure

1. National Integration

- (1) Percentage of the population over which the writ of the national government runs.
- (2) Degree of acceptance of the national governmental administration as legitimate.
- (3) Ethnic, religious, tribal and other socio-cultural barriers to mobility.
- (4) Presence or absence of fragmentation (division of the country into hostile camps).
- (5) Presence or absence of communal warfare, violence, or other indications of tensions.

- (6) Extent of commonality of religion and language.
- (7) Presence and location of air, road, rail, and water transportation facilities.
- (8) Presence of communication facilities: mail tele-communication.
- (9) Presence of mass communications media: newspapers, movies, radio, TC.
- (10) Extent of participation in market economy. (This indicator may relate as much, if not more, to socio-political structure and participation in benefits.)

## 2. Socio-Political Structure

In a wholly traditional society, political, economic, and military power are fused in a single hierarchy with one-way transmission of policy from the small elite at the top downward to the rest of the society. Processes of modernization may be viewed as displacing this single hierarchy with a network of governmental and private organizations, and with creating channels through which the preferences and needs of rank and file persons and groups are effectively transmitted upwards. One group of indicators should measure progress toward such a "pluralistic" society.

- (1) Extent of task-oriented, competing organizations. (Presence and effective functioning of cooperatives, labor unions, professional associations, and other economic interest groups is comprehended in this category.)

- (2) Is there concentration in the ethnic or regional origins of governmental employees?
- (3) What are the standards for recruitment and promotion in government service?
- (4) What is the extent of civic education?
- (5) Basis of local government. (Direction from above the community; from within. Control of tribal, caste, economic status groups. Extent to which leadership is selected from ascriptive groups.)
- (6) Participation in elections. (Extent to which there is a choice of candidates in elections. Eligibility for participation as candidate, as voter. Percentage of population eligible. This indicator should be applied with respect to the various levels of public government and voluntary associations and pressure groups.)
- (7) Participation in development schemes. (Extent and nature. Is there merely receipt of resources from the center, controlled by the center? Some contribution and control by the locality? Transfer of resources from the center to control of the locality, for specific purposes? Local control of generalized resources?)
- (8) Freedom of press; political opposition; extent of civil liberties.

III. Participation in Benefits of Economic Activity

A. Distribution of land ownership among agriculturists. (Consideration will have to be given to the nature of ownership, its attributes and uses.)

B. Distribution of income and other forms of wealth.

C. Magnitude of unemployment.

D. Availability of credit.

E. Possession of education.

--Literacy

--School enrollment: urban/rural

--Percentage of adults with primary, secondary, technical, and higher education: same for younger adults

--Content of educational curriculum: traditional (e.g. Koranic schools) or modern

IV. Care in the Use of Indicators

A. Difficulties and Complexities

1. Title IX implementation means undoing what exists. We perceive Title IX projects as creating new institutions where they don't exist (e.g., community development schemes, co-ops, local government), changing the way present institutions work (e.g., making central government more responsive to grass roots needs), and encouraging institutions which meet or promote Title IX objectives. For countries ruled by repressive and anti-democratic regimes, such as Liberia, the difficulties lie in undoing existing practices. It is changing structures and practices that is so difficult, but changing what is, is

often a condition for infusing Title IX activities, institutions, and attitudes. For countries like Liberia, the usual AID economic programs (which may be unsuccessful because of bad government) are simply inadequate: indeed, they may even strengthen the position and capacity for repression by authoritarian regimes or otherwise further harden the status quo. Moreover, were we successful in inducing basic reforms along Title IX lines in countries like Liberia, we would almost certainly generate instability without being sure that the new equilibrium eventually forthcoming would be favorable to the U.S.--although it may be useful to assume such a risk.

2. There are few theoretical insights into processes of social and political development. It may be wrong to assume that Title IX projects, even if eventually successful in enlisting wider participation, will necessarily have direct, growing, and discernible consequences on the political and social processes of the country toward progress in democracy and pluralism. We don't know how long these processes take. It may be that some Title IX projects during the first 10 or 15 years of their life only create a sort of latent preparation, without such discernible change in the macro-structure of the society that can be captured by indicators. Their effectiveness may not be apparent for a generation or more. Perhaps the model we should have in mind is the one that characterizes the socio-economic changes underway in the U.S., and

Czechoslovakian reforms: a period of slow change, which, when some critical threshold is reached, induces sharp, dramatic transformation, accompanied (nota bene) by crises and instability. Surely in tracing the present (1966-1968) upheavals in U.S. life, one would go back to the massive Black migration out of the South during World War II (when Watts and the South side of Chicago grew to their present size)-- 1941-1945: also, the fact of prosperity in the postwar years, and the Supreme Court desegregation decision of 1954. Progress in participation of Blacks in U.S. seemed very slow between 1944 and 1965, and then sharp changes in the situation became evident. So too, perhaps in tracing back the changes leading to the present crisis of democratic reforms in Czechoslovakia. Research should be initiated to develop devices to measure the undercurrents of change.

It may very well be that Title IX success is frequently accompanied by social strife and spasms of instability, for the same reasons that the degree of success we have had in improving the economic, social, and political participation of Negroes in U.S. national life have been accompanied by upheaval and social strife. The work of Adelman and Morris suggests that social tension is more acute in their intermediate group of countries, those which have already achieved the basic social conditions for economic development. Title IX progress may not be an upward tilted plane--continual and discernible progress--but rather a

horizontal line which abruptly turns upward (or temporarily downward).

We need a good deal of research before we can have confidence in the efficacy and the required time span of Title IX programs, and our indicators of their consequences. This argues for moving cautiously, to initiate the research necessary to increase our knowledge of social and political processes, and to dampen the tempting optimism that may exist about quick Title IX progress. We know very little about time-rates of change in social and political processes. We would be deceiving ourselves simply to assume that AID programs--given their small size and the fact that we are foreigners--can induce basic structural changes.

As the statute specifically recognizes, we need analytical studies of several kinds: one would be case studies of Title IX successes and failures. What works, and why, in which parts of the world? What doesn't work, and why? Another would concern the time sequence of change. When we initiate a Title IX project, say, rural community development, we have in mind producing a set of initial impacts on rural community income, educational improvement, technology, and participation in local economic, political, and social institutions. What we do not know are the further impacts, the induced effects (if any) of a successful rural community project. What happens outside our point of initial impact? Why? Over what period of time? Do we have reason to believe that there will be macro effects on the larger society and polity of successful micro projects?

V. The Cost-Benefit Caution

The foregoing indicators do not constitute a directive to AID practitioners in the field or in Washington to launch an exhaustive data-gathering or encyclopedic analytic effort. The main purpose is to suggest the kinds of phenomena about which information would be required. The precise set of indicators which is appropriate to develop knowledge about will not only depend upon the Title IX situation in each country but will also reflect judgments made on the benefits to be derived, their importance to understanding and prescription, and the costs of obtaining certain types of information. In many situations, theoretically desirable information would be extremely costly and time-consuming to collect and, often, the benefits are minimal.

### Part III: Recommendations

#### I. Research Needed

1. Case studies should be made of the process by which successful community development and rural public works programs are planned and executed. Such studies should include analysis of the chain of personal contacts by which the plan evolved and was executed, from the first appearance of the idea to its full implementation.

2. Case studies should be made of the detailed chain of communication by which effective national programs elicit the cooperation of regional and local officials and of private individuals and organization. The purpose of the case studies suggested here and in 1 above is to give concrete meaning to the concept of effective planning and implementation through participation of individuals and groups affected - a concept which is undoubtedly correct and important, but which has little meaning to specialized individuals when merely stated in general terms.

3. Research is needed to determine different kinds of participation in a political and social system and the quality of such participation and terms of satisfactions and effectiveness achieved. The impact of various kinds of participation on governmental effectiveness in the context of increased or decreased participation. Particular attention should be given to the impact of participation on national integration, legitimacy, internal organizational integrity and organizational capabilities.

4. The relationship between kinds of participation, organizational structure and the attitudinal propensity towards modernity should be determined by research. In particular this research should seek to determine if modernity propensity can be encouraged within the framework of rural organization.

5. Attention should be given in research to the urban dimensions of a nation's development and the application of Title IX doctrine and practice to such urban dimensions.

6. Title IX requires a combination of judgments on issues and phenomena which cannot be measured or gauged, with matters susceptible of quantification. A.I.D. should devote increased resources to field work and research which would seek to increase the range of phenomena which can be measured.

## II. Programmatic Recommendations

1. The Chief of Mission should report annually, as part of his program submission, on changes in the position of the country those indicators which are deemed to be important to the Title IX analysis in his country. He should be expected not to attempt a quantitative statement of change, except on certain indicators such as school enrollment. He should be instructed not to regard quantifiable indicators as more important than others, and not to expect to report progress annually with respect to most of the indicators which are after all measures of states that change only imperceptibly in the short run or medium run. Rather, he should be instructed to make a qualitative assessment of the

state of the socio-political structure of the country and of the state of participation in the dimensions indicated above. (see number 6, below)

2. Missions should be instructed to give high priority to offering aid in the creation of employment, in all countries in which there is a problem of a large pool of open or disguised unemployment. (belongs in another chapter)

3. Attention should be given in operations to the urban dimensions of a nation's development and the application of Title IX doctrine and practice to such urban dimensions.

4. In proposing new programs in foreign assistance, Title IX aspects should be included in initial discussions as well as the completed program and one of the criteria for evaluating the anticipated consequences of such a program should be the feasibility of Title IX.

5. Attention should be given to the relationship between non-Title IX objectives to Title IX activities and to the use of non-Title IX leverage in support of Title IX activities.

6. There should be an annual review of the Title IX condition of a country and the changes underway. Some quantitative indicators should be estimated each year and quantitative assessments given. Such year-by-year-reports should provide such information as data series and indications of trends to facilitate the planning of subsequent Title IX activities.

7. The vigorous prosecution of Title IX requires new efforts and an up-grading and extension of activities already underway. Techniques to

integrate Title IX in the programming process (recommendations 1 and 6) need to be amplified and installed; in-house technical assistance to the field on Title IX analysis needs to be mounted to at least the major countries (in the Title IX as well as in other senses); research, organization, training, recruitment and other activities, described elsewhere, need to respond to Title IX's program requirements.

HogT Country Situation

Part Three - Host Country Situations and U.S. Strategies and Risks

I. Introduction

A. General Considerations Relevant to An Analysis of Host Country Situations and the Range of Strategies Which Might Be Applied

The relevance and the appropriate application of Title IX assistance in any particular country must be governed above all by a deep familiarity with local conditions. Among the LDC's there is a rich variety of traditions and each has its distinct pattern of national development. No general typology can hope to capture the essential differences that must guide the selection of strategies needed to carry out more effective national development. Any set of universal principles would have to be so abstract as to provide little realistic instruction for coping with the complexities of any particular situations.

The goal of Title IX is not to create a world with uniform cultural and institutional patterns. With this in mind we should aim to achieve Title IX objectives by utilizing and adapting national and local institutions within each society.

Title IX objectives are frequently in accord with the goals of host countries. In others we can presume some resistance to these objectives. In both categories of countries we should use an open and direct approach to host countries in relation to proposed Title IX programs. In those countries where such objectives are rejected we should consider this along with other relevant factors in deciding whether or not we wish to continue an aid program in the country.

With these considerations clearly in mind we shall in this chapter, in speaking of relations with host countries, begin with a general discussion of the problems of receptivity of aid, note a few basic limitations on the U.S. in regard to Title IX, and then present methods for searching for the optimum approach for Title IX assistance in any particular case.

Receptivity of Aid

The intellectual ferment that accompanied the establishment of A.I.D. in 1962 was inspired in large measure by the view that: (1) sustained economic growth would set in motion social and political development processes, (2) most LDC's were anxious to realize economic growth and, therefore, (3) it would be appropriate and expedient to employ academic theories of economics as the bases for the criteria for giving aid. The assumption was that by placing aid on essentially economic terms it would be possible to "de-politicize" the activity, reduce friction between donor and recipient, and allow the sovereign rationality of economics to discipline governments in the direction of responsibility.

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Eight years of experience has raised some doubts about the nature of the inter-relationship between economic growth and political and social development. Doubts have also been raised over the possibility of economic theory de-politicizing the aid negotiating process. It is true that in the concentration countries the emphasis upon macro-economic considerations have been of inestimable value in bringing coherence and purpose to our aid program. More importantly, the by now well understood A.I.D. stress on economic criteria has provided a very useful basis for negotiating self-help measures as a basis for U.S. aid.

Yet we must be careful not to assume that all people are prepared to accept economic theories as neutral and objective knowledge. Leaders in the LDC's are just as sensitive to economic matters as to any others for they rarely make the sharp distinction between "economics" and "politics" that seems so natural to Americans and particularly those trained in economics.

Indeed, in many of the LDC's where Marxian views are widespread the general impression is that Americans in the true tradition of capitalist-imperialists are likely to be particularly interested in economic matters and therefore they are likely to be hypersensitive to the danger of our cloaking our real political interest behind talks about economic affairs.

The essential point is that LDC's are appropriately sensitive about matters of national sovereignty, they are likely to sense threats to their sovereignty whenever they must deal with such a superpower as the U.S. and it makes little difference whether aid is presented as being "purely economic" or not. There has, however, been significant change over time in the nature and degree of LDC sensitivities. As the traditions of development have become better established there is a more widespread acceptance of certain patterns of the relations between donors and recipients. Also, as the cold war declines there is less anxiety about foreign policy interference or the use of "strings" for gaining ideological commitments.

At the same time concern for development is becoming more universal and the leaders of the LDC's themselves are increasingly taking a broader view of the goals of national development. Hence in the LDC's one finds a declining interest in thinking about narrow economic development goals and a greater concern for broader gauged approaches. Narrow three- or five-year economic development plans are going out of fashion and are being replaced by general development policies that cover all areas of life.

The result of this trend is that U.S. relations with the LDC's can no longer be constricted to narrow economic development concerns. In our negotiations with LDC's about aid matters we have steadily had to broaden the area of dialogue. The time has therefore arrived for us to make more explicit our interests in broader strategies of development. The irony is that the broadening trend in the need for aid is taking place at a moment in U.S. history when less funds are available for development assistance.

Title IX, by providing the basis for this needed updating and broadening of the U.S. aid posture, will shift to some degree the areas of potential sensitivity in A.I.D.'s relations with host countries. On first reflection it might seem that Title IX is likely to work mainly in the direction of increasing the areas of potential sensitivity and then possibly strain U.S. relations with many LDC's. Deeper analysis, however, suggests that this is not necessarily the case, and indeed, Title IX may in fact work in the opposite direction to improve the openness and the integrity of our relations with some LDC's.

This may in the first instance come about by more frankly admitting our broad concern with all aspects of their development and by acknowledging that we hope that they will indeed progress in a democratic direction to be more plausibly honest in our commitment to helping them with their economic problems. More importantly, an expanded concern for Title IX forms of development can lead to a less dogmatic and rigid framework for our relations with host governments. This is because when development is viewed primarily through the lenses of possible political outcomes the result is a greater sensitivity for the multiple patterns of historical development. Emphasis on economic development tends to stress certain presumed universal criteria and permits less capacity for accommodating to local conditions.

The corollary of this proposition is that senior officials in A.I.D., State and the Congress must be prepared to accept the idea that among the LDC's there will be a multitude of different patterns of development and that we cannot expect to impose upon them any single model for their course of political development. In particular, it would be inappropriate to assume that a Jeffersonian model of democratic development is relevant for all societies. Thus the very lack of a universal quality in political development theory can be turned to advantage by calling for a more relativistic view of the goals for development. This in turn should make for an easier basis for our relations with some LDC's. We could honestly be in the position of respecting their integrity by helping them with their unique pattern of national development rather than appearing to force upon them certain abstract economic criteria that seem to come from our ethnocentric views about economics.

Thus while it might seem an increased emphasis on Title IX would compromise the advantages of influence we may have as a result of applying macro economic theory, in actual practice an emphasis on Title IX in certain instances can lead to a more accommodating basis for our relations with the LDCs. As long as our focus is primarily on economic concerns, we will be emphasizing the very things that make us, as a rich nation, different from them, as poor nations. When the emphasis is shifted to an appreciation of the diversity of political systems, then our role becomes one more clearly of assisting them to achieve their goals and of preserving their unique identities.

But from the outset, we believe it important and note that the contribution which Title IX activities can make to the achievement of our long run foreign policy objectives is subject to certain broad constraints. Major among these are: 1) imperfect knowledge and perception by U.S. planners, 2) sensitivity of host country leaders both as to what is acceptable action by foreigners within another sovereign state and the possible implications for the continuance of control by the group in power; and, finally 3) the perceived image in the LDC world at large of what Title IX is about as a result of what we say it is, how we describe it, and what is actually being done in the name of Title IX.

- Knowledge and the state of the art

As already noted, we must develop our Title IX approach to every country as a unique case. As background, full pertinent information should be brought to bear for the development of relevant and sensitive programs. At best, however, our knowledge will be imperfect and incomplete. Our understanding of the process and condition for desired socio-political change is limited. We are unlikely to be able to acquire or even perceive all the facts and trends which are significant. Some we perceive we are likely to misjudge. This may involve misreading the degree of significance of a trend or fact and/or its implication as obstacle or opportunity. Moreover there may well be indirect effects of our actions which may be overlooked or misjudged. Modesty, therefore, should be an important ingredient of our approach to every country situation.

- Sovereignty and sensitivity

All LDC leaders are jealous guardians of their newly won sovereignty, some more than others. The heritage of colonialism makes this a peculiarly delicate issue and in some countries this is complicated by the fact that "neocolonialism" is perceived as a new

kind of threat in the guise of aid and/or investment from developed countries. In the past this reaction has been strongly discernible in some cases even when we argued that aid was an apolitical instrument concerned only with economic development and change. In some countries, Title IX in any guise is apt to be greeted with even greater suspicion as a threat to sovereignty or to the position and power of an existing leadership group.

Leadership sensitivity may manifest itself in many ways which can set limits to what we may do in a given country under Title IX. Change which leaders perceive as constructive and non-threatening may be acceptable. But if we propose or show ourselves to be engaged in the promotion of change they find deleterious, this may result in positive countermeasures which will effectively offset anything we may attempt to do. It could conceivably even result in a strong enough reaction to evoke measures that would result in retrogression instead of progress toward our desired aims of greater participation, bureaucratic effectiveness or diffusion of power. We must therefore seek to find as much common ground as possible with local leaders in designing Title IX programs.

- The 'Perceived Image' of Title IX

Although passed in 1966 and amended in 1967, Title IX is still not widely known or well understood. We will need to explain and clarify what it is to the public here and abroad if it is to be understood. Better understanding is desirable for both positive and negative reasons. It needs to be explained as a means of gaining support for foreign aid at home among those who will be more favorably disposed if Title IX is a significant dimension of our programs. It also needs to be explained to those abroad toward whom action will be directed in pursuit of its objectives. If this is not done the risks that the provision of the law will appear sinister are increased. LDC leaders might perceive it as authorization to move covertly toward political change, a perception of impending covert action bound to arouse suspicion and increase sensitivity.

The terms used to explain Title IX will be important in determining the perception of the Title IX dimension of foreign aid and hence its receptivity among LDC leaders. In general the less "political" the terms used to explain the program the more likely it is to be acceptable abroad. (This admonition applies equally to the "rhetoric" in the report of this Conference as well as to subsequent releases, papers, etc.)

- Compensating Considerations

Offsetting these risks in considerable measure and overriding them in appropriate cases are the risks of failure to act. In the first instance we must recognize that "purely" economic development programs have political repercussions which we should seek to understand, lest they have results which are inimical to our intent or our interest in the country. Second we should seek to avoid the concentration of power as development proceeds which could result from growth if its major benefits accrue largely or only to the existing elite. This has the danger of creating greater social tension and of resulting in the U.S. public becoming increasingly disenchanted with the results of aid and therefore withdrawing support. Finally failure to encourage greater participation, national integration, and bureaucratic effectiveness could stand in the way of continuing improvement in economic welfare. It might also result in increased tension where a government is unable to satisfy the rising expectations of the populace due to its ineffectualness. These factors argue for giving serious consideration to Title IX action in a manner which is appropriate in kind and degree to each country situation we address.

With these general considerations in mind, it is now appropriate to turn to questions about the appropriate strategies that we should follow.

B. Summary of the Analysis of an Approach to Strategy Formulation

Within the context of the overall foreign policy of the United States, the definitions of Title IX which have been given in preceding parts of this paper, and the general considerations discussed above, the programmer in a particular country is faced with the task of seeking to determine the specific strategy which should be applied towards achieving Title IX objectives in the situation with which he must deal.

No discussion of the manner in which strategy analysis should be approached can answer all the questions which a programmer must face in considering the particular society in which he is involved. There is, however, an approach to analysis which can provide the programmer with general guidelines to strategy, including the attendant general risks involved in various formulations. This analysis can help him in determining the role which Title IX can and should play in his country, the depth to which Title IX objectives should be pursued, and the general lines of programs which might be pursued. It is these general guidelines which this section seeks to address.

We believe there are five basic questions which the U.S. Government must consider in planning the scope and direction of Title IX programs in a particular country. All five of these questions are interrelated and the answer to any one tends to condition and feedback on others. These questions are posed in the normal sequential order by which analysis would ordinarily be pursued, but at all times it must be recognized that the answer to a subsequent question may in fact affect the impact of answers to earlier questions.

The questions which must be faced in any country under consideration are the following:

1. What does the U.S. Government want to see accomplished in Title IX terms, i.e. within the context of overall U.S. foreign policy, what is the priority and role of Title IX programs within the context of other U.S. interests in a particular country. This question is discussed in II below.

2. Assuming it is determined that it is desirable to pursue some Title IX programs in a particular country, is that country interested in the possibility of social and political change consonant with the overall intentions of Title IX, and is it sensitive to U.S. involvement in bringing about such change? If there are severe limits in receptivity to change or to U.S. involvement, what program strategies are suggested and what risks are involved? This question is addressed in III-A below.

3. If there is reasonable receptivity to political change and to some form of U.S. role in assisting in bringing about that change, are there limitations in governmental effectiveness to promote change mutually agreed upon? If so, what strategies are capable of ameliorating the situation and what risks do these involve. This question is addressed in III-B below.

4. Whatever may be the degree of governmental receptivity to political change, and whatever the degree of governmental effectiveness in capacity to promote change, what constraints exist in and outside the society which need to be considered in shaping strategy and particularly specific program content. This question is addressed in IV below.

5. In the case where change is being promoted, what kind of strategies can be pursued specifically to promote increased participation, and what are the effects of these strategies on other goals held by the U.S. or by the host country. This question is discussed in V below.

As indicated above, there is constant interaction and feedback among these five questions. It is up to the programmer in a particular country to interrelate all these questions of U.S. interest and leverage, commitment to change and sensitivity to U.S. involvement, governmental effectiveness, and various constraints in order to determine the particular strategy, and the risk it entails, appropriate to any one country at any one time.

A major point which emerges from the following analysis, however, is that whereas all these factors condition and limit the directions in which Title IX strategy can be developed at any one time, there remains considerable scope for some elements of Title IX activity in virtually all economic assistance programs currently being carried out. A major intention of pursuing this analysis is to assist in determining where the U.S. Government should concentrate attention on Title IX programming. It is also believed that this analysis helps to determine whether there are not certain countries where no economic assistance is justified unless it is centered on Title IX considerations.

II. The Relationship of Title IX to Other Possible U.S. Interests in a particular country and the effect that other U.S. Interests may have on the Leverage available for Promoting Title IX Concerns

In designing strategies for Title IX activities, prior to appraising the conditions in each country which open opportunities and set limits to what is desirable and what is feasible for Title IX, it is necessary to assess U.S. interests in that country. Such an assessment of U.S. interests will give some preliminary sense of priority between different U.S. objectives in different countries, depending upon the type of U.S. interest concerned. But as will become apparent, an analysis of U.S. interests in themselves do not give adequate guidance for the formulation of specific Title IX strategies.

For purposes of this discussion, we will assume four distinct U.S. interests. In reality, of course, any one country may be important to the U.S. for a number of different interest reasons; these interests interact with one another and are not as distinct as the discussion suggests.

This analysis is complex also for the reason that Title IX encompasses a spectrum of possible activities and objectives, ranging from (a) "increasing participation" on one extreme through (b) "promoting economic growth" to (c) "improving the legal system and administration of justice" and (d) "improving national integration" to (e) "improving the capacity to govern" on the other end of the spectrum. And each country's circumstances, political-social requirements and desires in these matters will form together a unique Title IX situation.

In the discussion that follows we will focus mainly on the "increased participation" dimension of Title IX and its relations to other U.S. interests. This is done not only to simplify an analysis which is intended to be illustrative, but because increased participation seems to be central to Congressional purposes for Title IX and increased participation is the most dramatic, hence controversial, and potentially unsettling dimension of activity envisioned under Title IX.

One of the primary interests of the U.S. in less developed countries, many people would argue, is ensuring the security of the United States. The conclusion is then frequently drawn that when American security is an issue, Title IX has virtually no scope for operation. This conclusion, though true some times, needs careful examination. Security is an ambiguous term; its precise definition in particular circumstances must take into consideration time-frame and nature of perceived threat. It has often been true in the past that preserving an authoritarian regime from internal Communist subversion in a country close to the United States could be described as a legitimate security action. However, for the present and future, it may more often be true that withdrawing support from an authoritarian regime increasingly alienated from its people beginning to be pressed by leftist organizations could also be described as a legitimate security action if the purpose was to develop in the longer run a more resilient, less brittle, political system.

In sum, a bold statement of the fact that the U.S. has an important security interest in a particular country does not automatically rule out Title IX activities, even those working toward increased participation. It would not be inconsistent with national security to foster political instability in the short run if there was reasonable promise of achieving more enduring political institutions and processes in the long-run and a more congenial international environment. Title IX, then, rather than being inconsistent with national security may be a means to the achievement of national security. A linkage between security and Title IX, whether favorable or unfavorable to Title IX initiatives, must not be dogmatically asserted; the linkage will depend on the nature of circumstances in specific countries.

The first U.S. interest to be discussed concerns the short and long run environment of U.S. foreign policy.

1. LDCs affect the short and long run environment of U.S. foreign policy

As the number of countries relevant to urgent U.S. military concerns diminishes, we have an opportunity--and a need--to examine the character of the long-run international environment as it bears upon our own future development. An open, relatively free, pluralistic world order, where

increasing numbers of the world's peoples are able to pursue their own peaceful purposes within open and responsive governments, is more congenial to our interests than a world community of authoritarian, closed and mutually hostile states. In what ways may Title IX be relevant to such a generalized foreign policy purpose?

As a beginning, we can distinguish two types of LDCs; the few large ones and the many medium-sized and small.

(a) The influence of large LDCs on the world environment:

Size itself is one of the factors which helps define the relevance of a particular state's characteristics and of its success or failure to the world environment. The future politico-social evolution of such countries as India, Pakistan, Brazil, Indonesia, and possibly the UAR, are important simply by virtue of their size, and the effect the nature of their domestic development has upon their regional neighbors and upon the larger international environment. Their economic growth may have implications to U.S. commercial and trading interests.

The development, integration and political success (or failure) of the large LDC's will also affect the structure of power in its region and may have a potential role in U.S. military security considerations, particularly if it appears likely to develop the capacity to build and deliver nuclear weapons.

In considering these large states, part of our interest may be "security," in the narrow military sense as in the case of India and Indonesia. But their longer run significance goes beyond these military considerations and leads to concern with the quality of their development in the politico-social realm. And our Title IX considerations in these countries vary, depending upon the imbalances we and they perceive in their own socio-political development.

If the LDC in question is already promoting the "participation" aspect of Title IX, it may be desirable to push "economic development," "national integration" and "capacity to govern," as in India. If, however, as in Indonesia, just recovering from a disastrous demagogic regime and suffering acute economic and national disintegration symptoms, it may be inappropriate to press for greater "participation" at present, but its oligarchic regime must first have time to improve its "ability to govern" and promote "economic growth." On the other hand, as in Brazil, it may be timely to press hard for greater "participation," on the assumption that growing resentments may lead to political eruption and that economic energies are there to be released if only the regime will give greater scope to the expression of demands which are likely to be promptly translated into greater economic activity.

It is difficult--but important--to assess just how much influence the U.S. can have on the politico/social evolution of these countries under Title IX. In general, the larger the country, the less influence we are likely to have. Even in cases where we have substantial inputs of economic, military or diplomatic support, the size and complexity of these countries sets some limits to our ability to influence them. There may be historic moments, when leaders are nearly desperate and cannot do without us, as in the case of India in 1962. But even then, because we have to consider our longer run relationships beyond the crisis, we may not in fact possess the leverage the immediate crisis would appear to yield us, particularly on foreign policy behavior or matters affecting political processes and institutions. Moreover, sometimes the tasks facing the large regimes are so complex and their capability to effect desired changes so limited that even with the best will in the world, they are unable to effect the innovations they themselves would like to introduce. No amount of leverage can bring the results we may want in such a situation, as is the case in contemporary Indonesia and to a considerable extent in India.

Hence, only a close examination of the particularities of these regimes will give guidance for Title IX strategy.

(b) Numerous middle level and small countries together also affect the international environment:

There are many medium-sized and small countries which do not meet any of the specific interests mentioned above. No one is large enough to materially affect the international environment by itself, yet together their cumulative experience may well do so. Although committed to defending their sovereignty against all comers, they are not so insulated from one another that they are not affected by what happens in the others. A deterioration of any one will not affect the others directly. But if a number experience, say, the disruption of public order or coups d'etat, the chances improve that some of the others will also experience these difficulties. Conversely, improved economic performance or demonstrated capacity for democratic government in several countries will strengthen the hand of those committed to development or to increased democratic practice in others. We do not--and probably never can--know the critical negative or positive thresholds for such developments. But these demonstration effects are significant, and contribute to the foreign policy environment of the United States.

As noted above, our general interests will usually be served if other political societies are more open, if there is more freedom of movement and economic activity and cultural and intellectual exchange across frontiers. But we should recognize that increased political participation" may subject regimes to domestic political pressures which lead them to adopt policies counter to long-run U.S. interests. More

democratic practices may facilitate the rise to power of groups which feel U.S. foreign policy or private economic activity abroad is opposed to their own best interests. Promoting Title IX "participation" in other countries will not free us from criticism, nor eliminate all our difficulties.

In continental terms, we are concerned to see that the Latin American governments, closely associated with us for many decades and generally within our economic ambit, make progress in the direction of greater participation over the long run. Indeed, in some respects, the Alliance for Progress was a forerunner of Title IX concerns.

It would appear that the bulk of LDCs in Africa are less likely to affect those aspects of the world environment relevant to the United States, in part because they are already generally within the ambit of European countries and because they have not yet come far enough along the road to modernization to materially affect the world environment.

In the Middle East, our overriding relationship with Israel makes it very difficult, at least for the present, to deal fruitfully with the Arab States. In Asia, the small and scattered states derive their relevance in substantial part from residual security interests or by virtue of the role in international affairs of their larger neighbors.

In regard to levels of U.S. influence, it is equally difficult to generalize. One can say that where we are not supplying substantial economic or diplomatic inputs, we are likely to have little direct influence to press Title IX objectives the regime itself does not already wish to pursue. If our inputs are large, we may or may not be able to press them to accept Title IX purposes, depending upon our own readiness to bargain hard or, even, to withdraw assistance if they are not prepared to adopt Title IX measures we believe would promote long run politico/social growth desired by important elements of the population which may be blocked by a particular regime.

## 2. Dampen local conflict

It is a U.S. interest to have local conflicts dampened down, for this will reduce the chances that the U.S. will be drawn into local conflicts.

Most intra-regional conflicts among LDCs appear to derive from deep, long-standing issues such as (a) long-standing religious, historic or ethnic quarrels; (b) jealousies over frontiers; and (c) mutual fears. Title IX type programs are unlikely to have any important influence over those deep-seated issues in the short run. One can at most look to other

diplomatic approaches as the primary means of continuing these local conflicts.

While Title IX will not have major impact on reducing local conflict tensions, Title IX programs may - depending on other factors in the particular society - help reduce these tensions. As pluralistic societies develop, individual groups who see their own interests threatened by conflict have greater scope for influencing public policy. With greater participation, leadership finds it necessary to meet internal programs with greater pragmatism and less ideology and this may translate itself to the international stage.

Accordingly, Title IX priorities for helping to reduce local conflicts are difficult to define. Only specific country analysis can help here. The assessment of this influence is equally problematic in the abstract.

### 3. Immediate and Longer Term "Security" Interests:

A number of countries remain important to the United States by virtue of their presumed relevance to the immediate or longer term security interests of the United States. Identifying countries as such presumes an explicit doctrine of the military imperatives which lead to this designation. There are three types of "security" considerations:

#### (a) Countries under direct and immediate conventional military threat

Regimes under direct and immediate military threat from our opponents (such as was faced by Syngman Rhee in 1950) and whose independence and integrity we think it important to sustain, are not likely to be able to face immediately an opening up of their political system to greater "participation." The dilemma here is now familiar. To back an authoritarian regime which is repressing its citizens damages our reputation at home and abroad. If it misreads its own domestic situation the regime may alienate support it might otherwise gain among its citizens if it were more open. Indeed, it can be argued that when a regime is under imminent threat, national sentiment is likely to be at its height, and increasing popular participation may at such times be a source of strength to a hard pressed regime.

Yet in LDCs it is not necessarily true that external pressures can be translated into increasing political solidarity and sense of mutual identity. It may appear too risky to withdraw support in the midst of a conflict, when there can be no predictability about the succession or effectiveness of successors. And experience of western democracies suggests that in time of national crisis, democratic liberties are often curtailed, even there. Accordingly, we should not expect much loosening of the system under imminent threat.

On the other hand, we should expect such governments to be interested in promoting their "ability to govern" and their "national integration." And these concerns are likely Title IX objectives when a foreign threat is imminent.

Potential influence is likely to be great if a regime is really hard-pressed and we are providing substantial economic, military or diplomatic support. However, under such circumstances, the U.S. is likely to hold off focussing all its potential leverage in order to sustain our own short run military interests and not to over-complicate the task of a regime in such an immediate crisis. The chances are good, therefore, that we would not press a regime too hard to revise its political practices in time of imminent conventional military threat.

These propositions are in contrast to a second security situation, where,

(b) A direct external threat persists over a long period of time

A regime may be hard pressed for a long time (Korea since the later years of Rhee), the regime may be in a better position to absorb innovation. Moreover, it may have to take special measures to arouse and sustain public support if it is to cope effectively with the demanding, protracted state of readiness. Increasing "participation" under such circumstances could improve its "security" position.

As to the U.S. interest, if the relationship is to be close because of the protracted threat, and we are thereby intimately associated with that regime for a long time, our own reputation abroad as a spokesman for democratic values and the image of our foreign policy at home may make it desirable for that regime to make some progress toward greater "participation."

Accordingly, in countries with which we are closely associated and which face protracted security threats, both for domestic reasons within that country and for reasons of our international reputation, it may be in our own--and their--immediate and longer run "security" interests to press for more "participation" as a Title IX innovation.

In the case of protracted insurgency supported from outside--e.g., Vietnam, similarly, earlier efforts to promote greater participation by the Vietnamese might have helped to enlist greater popular support and hence have contributed directly to the "security" of the Diem and succeeding regimes. But even in this instance, we should be wary of assuming that people in all cultures are equally anxious to participate in public decision-making and the choice of those who rule them.

The extent of our influence will depend in part upon how well the regime can stand up to external or internal pressure. Paradoxically, the more precarious a regime, the less likely are we to be willing to press for substantial "participation" changes, since we are not likely to be able to assess accurately how much such innovation the regime can absorb without unleashing domestic forces it cannot contain. A better-established regime can absorb more innovation. Our influence will also depend upon the extent of our economic, military and diplomatic support. Hence, an accurate assessment of useful leverage is difficult at best and will leave much room for disagreement.

(c) Bases, communications and other facilities

Where these exist we have a direct interest in reliable access. The intensity of our interest will depend upon our dependence on the base or facility, our assessment of the likelihood of having to use it and the evolving technology which may make its use obsolete in say 2, 5, or 10 years. These facilities may be vulnerable to public passions or so isolated and inconspicuous that the populace is hardly aware of their existence.

The interest of reliable access will usually be served by the persistence in power of the regime which originally granted these rights in the first place. And if the host country political leaders, both those in power and those out of power, see their country's national interest served by our continuing access, we can appropriately encourage socio/political changes. But if the political process brings to the threshold of power groups which are ideologically or for other reasons opposed to our continued access, normally we should not encourage change. However, if the regime is highly oligarchic and vigorous and sustained political opposition appears to be rising, in some instances we might want to press for increased "participation" in order to open more opportunities for the "outs" to gain access to opportunities to the exercise of power. Pushing a regime too hard for such reforms, however, may result in losing the base or facility for new leadership is not likely to reopen access once a public issue has been made of it. In such cases, therefore, leverage is admittedly limited, unless the prospective leaders are assured of succeeding to power and are deemed both reliable and closely committed to renewing our access.

Such a cautious approach to Title IX in these instances is not rewarding to Title IX enthusiasts, particularly if the regime is such that it adversely affects our reputation in other countries or our liberal support at home. The actual decision, therefore, will necessarily hinge on a complex analysis of all U.S. interests considered relevant in such cases.

4. Raw materials and other direct economic interests:

A number of countries are important by virtue of large U.S. investments and the raw materials they make available to us and to our close associates.

Title IX can be important there, particularly if the regimes in such countries are so oligarchical that growing popular pressures for wider participation are ignored for such a long period of time that political explosion appears likely in the near future. And many of them are so oligarchic in part because of the wealth raw materials exports channel into the hands of the few.

However, in such cases our influence is often limited by U.S. economic interests which will not want us to "rock the boat," unless State/A.I.D. and these interests come to a consensus regarding the long run implications to these interests if politico/social conditions remain the same. Even if they do agree, the threat of nationalization will mean we cannot push very hard on behalf of Title IX liberalization objectives the regime itself does not want.

Yet if we are really concerned about the international environment of U.S. foreign policy and the promotion of increased "participation" in LDCs, the Congress may want to review the effect on both these questions of U.S. investments abroad.

Conclusion

Attempting to define Title IX strategies from the point of view of U.S. interests and leverage provides us with no very precise guidelines, though it was suggestive.

1. The few large LDC's are likely to affect development of other countries in their region and the general world environment of U.S. foreign policy.

Title IX activities may help us to influence the direction and quality of their development. (a) If they are already moving in Title IX direction, economic development assistance may be a requisite for their success and they may require more resources, (b) If their regimes remain so authoritarian as to block development or repress popular demands for more participation which if met would be quickly translated into greater growth and sustained political liberalization, we should consider curtailing our assistance;

2. The numerous small and medium sized LDC's are less likely in themselves to affect our interests. However, since a number of smaller

countries may be so geographically located, so ready to serve in Title IX direction or so clearly influential together in their region that Title IX progress will contribute to an improved environment of U.S. foreign policy-- then Title IX programs may make sense.

3. Title IX appears to have little relevance to our interest in seeing local conflict dampened, though there may be rare instances when some Title IX progress could affect the foreign policy behavior of a particular state.

4. Title IX is not likely to affect our interests where international commerce or raw material acquisition is our main concern, except insofar as Title IX activities would help a regime to avoid revolutions threatening these interests, by timely politico/social concessions.

5. Title IX may have utility, even where short and middle run U.S. security interests are engaged (i) if timely reforms will help sustain our access to bases and communications; (ii) if a regime, hard pressed by externally supported insurgency, needs to gain more popular support and is likely to obtain it by extending participation or (iii) if a change in regime is the only way of obtaining enough popular support to deal with this citizenry.

But these are fairly general guidelines. Having considered Title IX programs in relation to U.S. interests, and having decided to do something under Title IX, the programmer must consider host country receptivity and the feasibility of proposed Title IX programs within a specific country. The following discussion treats this range of issues.

### III. The Feasibility of Carrying Out Title IX Programs in a Given Country

#### A. Introduction

Given that an analysis of U.S. interests in a particular country indicates the desirability of pursuing Title IX programs, one must then deal with the feasibility of doing so. In considering feasibility, there are three major considerations:

- (1) Is a country receptive to conscious efforts to encourage political and social change? If not, what strategies might be applied to obtain Title IX objectives and what risks are involved?
- (2) Even if a country is receptive to reasonable political and social change, is it seriously sensitive to U.S. participation in bringing about such changes? If so, what strategy might be appropriate, and what risks might this strategy entail?
- (3) Even if a country is reasonably receptive to political change and to some form of U.S. involvement in bringing about such change, are there inherent limitations on the Government's capacity in fact to promote such change? If so, what strategies might be implied, and what risks might be entailed?

In approaching these considerations and the strategies which evolve, risks must be considered both in terms of the capacity of a particular strategy to meet the objectives involved and in terms of the effect that strategy might have on other U.S. interests in the country concerned. In the course of the analysis, 13 evaluations of fact must be made. A summary list of these evaluations will be found at the end of the analysis.

#### B. Strategies and Risks Involved in a Country Uninterested in Political Development

There are several presumptive signs, apart from direct evidence in governmental statements, which indicate lack of receptivity to political change. Is the country authoritarian rather than a promoter of democratic institutions; is it non-modernizing; is change, economic or political, actually underway; are there elite minorities, even in a democratic framework, who resist the broadening of political participation?

Suggested below are several conditions which might exist even within societies resistant to political change and outlines of how strategy might still seek to promote such change. These conditions will be true in varying proportions in different countries. It would be unusual to find only one of these conditions pertaining to a single country and this may lead to a mix of conditions and of possible strategies.

1. While resistant to change, is power diffused or decentralized?

Strategy

If power is diffused or decentralized, a selective approach might be applied, undertaking Title IX programs with those portions of the political elite or bureaucracy which are receptive to change.

Risk/Limitations/Costs

It is difficult to determine accurately who the modernizers are. Selectivity can readily be viewed as duplicity, that is that U.S. policy is aimed at setting group against group, faction against faction. This could in fact lead to reduction of influence on overall government policy and threaten other existing U.S. interests.

2. While resistant to political change, there is a commitment to economic growth

Strategy

If commitment to growth is high, one might seek to shape programs justified on economic growth grounds to provide by-product effects which affect the socio-political system for the larger run along Title IX lines. In doing so, one must recognize that that possibility of introducing programs which have radical political by-products (tax programs for wealth redistribution) are likely to be resisted, and one will probably have to count on programs having longer term effects (transportation, education and the like).

Risk

The kind of programs open for joint agreement may have by-product effects which are too limited or too long in duration to justify the costs. There may also be inadequate knowledge to be clear on what political effects might result from various economic inputs.

Using economic instruments without a clear link to socio-political changes may destroy our image with other countries with whom we emphasize Title IX objectives or may alienate the U.S. from the more popular forces which we are seeking to produce as a result of this type of effort.

3. Is there a relatively high level of dependency of the regime on some U.S. input (military, economic, diplomatic, simple need for good will, etc.)?

Strategy

If dependency is substantial, there is the possibility of making the aid level depend upon the socio-political policies they adopt. This is feasible only so far as the dependency is not two-directional.

Risk

As indicated, the value of such influence must be clearly weighed against the risk to other U.S. interests, short and long term in the country. Application of this strategy always runs the clear risk of leading to a break in aid activities which then ends whatever influence the U.S. may have had.

If past aid levels were related to specific quid pro quos and these are diminishing in importance, Title IX criterion may become more important as a determinant of aid levels. Clear interagency agreement is needed to apply this strategy to assure that all U.S. inputs are orchestrated to support such a policy.

4. Is the resistance to change essentially unrelenting?

Strategy

One must clearly weight the importance of Title IX considerations to other U.S. interests. If there is no other major rationale for aid than Title IX, or this is at least the overriding consideration, one might terminate all aid.

Risk

With this strategy, there can be no assurance of the outcome, and the U.S. essentially loses its influence over the outcome. The outcome of any change which takes place may prove as unsavory as the existing situation. Action of this sort requires that potential benefits both in the country or in demonstrating to third countries our real concern for political development outweighs the risk to other U.S. interests in the country.

5. Is the resistance to change a consequence of a fear by the elite of a loss of power or of an external threat, which if overcome would open the way to some greater willingness to change?

Strategy

If excuse is based on genuine external threat, one can perhaps afford to wait, providing continued assistance within a rationale of economic growth and not seeking substantial Title IX ends in the short run. If the threat is false, the strategy might be the same as under other conditions outlined above.

Risk

In waiting, one may be extending the time frame before change starts an unreasonable period of time.

### Strategy

If the government fears relative loss of power, one's strategy depends upon whether the existing regime is judged sufficiently capable of seeking in the right circumstances to bring about appropriate change (and whether the feared opposition is less likely to bring about such change). In this case, strategy would probably aim at promoting limited levels of political change which are aimed in part at reinforcing the role of the regime vis-a-vis its opposition.

### Risk

The major risk is one of miscalculation and the reinforcement of a regime which becomes increasingly retrograde.

Whatever one's attitude about the opposition, if it proves capable of winning out, in any event, one may be faced with a government embittered by U.S. attempts to undermine it during the opposition stage.

### C. Strategies and Risks Involved in Countries Interested in Reasonable Amounts of Political Change but Sensitive about U.S. Involvement in the Process

There are again many presumptive signs indicating a nation's sensitivity to U.S. involvement in the process of internal socio-political change. There may be direct reactions or statements to previous U.S. initiatives. There are such signs as the nation's reaction to U.S. foreign policy statements, the existence or lack of alliances, cooperation or lack of it on world issues, action on U.S. issues and the like. Or there may be situations where nations concur in general terms with the United States on world views but for internal political reasons are reluctant to see the U.S. (or perhaps any nation) manifestly affecting their socio-political affairs as a matter of explicit policy. This will be particularly likely where a domestic political opposition is well developed.

As with considerations stemming from a situation where a country may be relatively uninterested in political development, so here not one single category will apply in a given case.

1. Host country is sensitive to appearance of U.S. involvement in domestic policy matters but not necessarily to U.S. involvement in specific program matters. Equally, countries may be sensitive to associating themselves with the U.S. because of differences on foreign policy on the world stage, but not adverse to receiving assistance for economic development purposes.

Strategy

In such situations, U.S. must be particularly alert to appearances and style, playing down our own role. Dealings must be in specific program terms on the bureaucrat-to-bureaucrat level, avoiding grand statements about involvement in general political development. To extent possible, support should be directed towards providing the government with effective technical means towards overcoming problems in implementing policies which the host country itself has perceived in general political development terms.

Risk

It is sometimes difficult for us to exercise such discretion and modesty in our operating style, particularly when we may be called upon for differential rhetoric as between the host country and a U.S. audience.

2. Is power diffused or concentrated within any layer of government, or are there differentiations in decentralization of governmental functions?

Strategy

If government or elite is diffused or decentralized, there are opportunities to deal in Title IX terms with that part of the political elite or bureaucracy which is not oversensitive to U.S. involvement.

Risk

The risk is similar to that given under similar heading on Page

3. Is there a commitment to economic development?

Strategy

If commitment is high, one may seek Title IX results through by-product effects. This is probably more likely to come about in a country interested in political development (but sensitive to U.S. involvement) than one not, since it is possible to get into economic-type programs which do have a higher direct political impact (tax reform, etc.)

Risk

There remains here as before the need to know more precisely what types of economic programs can have effective political by-products, although this is less urgent in the politically receptive nation since more direct by-product effects can be programmed.

It may well be that on this justification alone, our aid level will be too low adequately to produce political change.

Or if one is willing to accept the general line of policy espoused by the government as supporting Title IX objectives, economic aid for overall growth might be provided simply to sustain or accelerate development already underway.

We always run the risk because of our open society of having the socio-political rationale of economic aid more explicitly discussed and exaggerated than is either accurate or desirable.

- D. Even if a nation is reasonably receptive to Title IX programs, both in terms of a desire for political development and a willingness to have U.S. participation, is the government reasonably effective, that is can it reasonably be expected to do what we and it intend under Title IX

Even if a government is prepared to move towards the kind of open society and increase in participation involved in Title IX considerations there may well be limitations on its own effectiveness and capacity to do so. We believe there are seven primary reasons a nation might be unable to carry out meaningful Title IX programs. These conditions, or limitations, suggest the need for alternative strategies involving varying risks.

Improving a government's capacity to move in positive directions, however, may have unanticipated results. More effective governing instruments can be used for purposes contrary to Title IX as well as in support of this objective. Although there is no sure way to guard against having a more efficient government act in increasingly authoritarian ways, when choices must be made in a program to improve government capabilities, they should be made so as to confirm libertarian tendencies to the maximum extent possible rather than the reverse.

1. Government's incapacity is due to inability to lead effectively, either because of lack of leadership energy; lack of imagination, innovation and planning ability; inability to get the bureaucracy to carry out governmental orders; or inability to generate popular enthusiasm for new initiatives (all of these possibilities exist with regimes which receive general popular and possibly electoral support).

#### Strategy

Governments might be urged to concentrate attention and energy on only one task or on a group of interrelated tasks, for which reasonable success can be anticipated and which have or will have an impact on popular reaction.

#### Risk

Following this course may ignore other tasks which must be fulfilled. It may be that the tasks to be met are not directly along Title IX lines and their fulfillment may not necessarily increase capacity to work along Title IX lines.

Assistance might be provided for advising in problem solving and how planning can be improved, i.e. we would direct their energies explicitly to a number of major problems and provide high levels of input to find solutions to them.

One might undertake top leadership training, especially through exposing leadership to new leadership patterns and forms, especially through foreign travel.

One might conclude that despite good will, present leadership is hopeless and must be written off; i.e., terminate aid or maintain it at minimum levels destined primarily to provide future trained manpower to support an assumed future regime.

Caution must be exercised to avoid feelings of implied criticism. There is always the problem of loss of face. Unless leadership itself can get actively involved, there is a question of how effective outside advice can be in really solving significant national problems.

Travel is likely to be of short duration and makes the learning process limited. Working lessons can thus be drawn from other experiences.

This risks loss of U.S. influence in the short run. Succeeding leaders might be no more effective than present ones. Other interests we might wish to reserve would be jeopardized.

2. Government is constrained by factors which limit scope of its functions or extent and magnitude of its operations, e.g., ideology; countervailing political forces, resource limits.

#### Strategy

Scope and strength of government must be expanded in areas where one weakness lies. Resource limitations may imply high growth assistance and revised tax policy; ideological limitations might be faced by insisting on pragmatic programs having minimum ideological connotations.

#### Risk

By extending capacity of government does not assure it will be used in ways compatible with Title IX.

3. Government is incapacitated by bureaucratic inefficiency stemming from poorly trained personnel, improper organization, inadequate chain of command or formalistic rather than pragmatic bureaucratic norms.

Strategy

Give priority to improving bureaucratic performance. Subtle analysis may be required to determine the precise nature and location of bottlenecks within the bureaucracy.

Risk

Attempting to reform a government is delicate. Host Government may not receive cordially the idea of need for such reform. On the other hand, not to achieve reform may mean that substantial resources will be wasted.

4. Government is incapacitated by inadequate communications and infrastructure

Strategy

Strategy may simply be to give priority to making up this lack. In doing so, there should be recognition that there appear to be direct Title IX consequences in such programs, as well as in their capacity to strengthen government effectiveness.

Risk

Such programs are apt to be costly and place heavy burdens on struggling economies.

5. Legitimacy of leadership is questioned, i.e., national leaders are not respected by the mass of the people

Strategy

(a) If power is diffused and/or decentralized, it might be possible to work with specific, legitimate, elements of the ruling elite.

(b) If a new, more legitimate leadership is likely to develop--especially perhaps because social change is already well in process--(Condition 11) then one might continue existing aid levels in order to provide entree, but postpone undertaking particular Title IX initiatives. One might go farther and disassociate oneself from existing government in public utterance and contact, while maintaining aid to keep economic growth and social change going.

Risk

Finding such people may be difficult; one could choose the wrong people. Furthermore, such actions are likely to appear duplicitous, drawing the enmity of others.

Disassociation is difficult to achieve. By giving anything to existing leaders one may be making enemies of their replacements.

(c) One might simply disown existing leaders in all respects, sever aid, and wait for a change.

If the existing leadership has proper reformist instincts, but simply lacks legitimacy, one may be throwing out the baby with the bath water.

Moreover, there is the obvious risk that in severing aid one loses influence in safeguarding other U.S. interests.

(d) One might try stepping outside government for administrative vehicles for Title IX efforts, using or building up non-governmental institutions.

This policy may threaten relations with host government and may itself be politically destabilizing.

6. Legitimacy of public institutions is in question -- institutions do not have the habitual respect of the people.

Strategy

Risk

(a) Title IX efforts might seek to create new, substitute institutions and processes which are more acceptable and which, by breaking around the existing traditions of bureaucracy, do in fact succeed in better serving the people.

May result in costly duplication of services and wastage of resources. There is also a very serious question about whether we have the knowledge and skill, let alone access, to legitimate institutions in foreign countries.

(b) One may undertake to renovate existing governmental institutions, through training, foreign travel of personnel, etc.

Besides being an uncertain venture, such a policy may increase infighting within government, among the agencies newly favored and those neglected.

(c) One might provide resources specifically to ensure that existing governmental institutions succeed in delivering what the people want.

If these agencies are seriously tarnished in the public eye, the U.S. would be associating itself closely with discredited people and institutions.

(d) One might try to develop totally new institutions at new levels of government, e.g., municipality, rural districts. (Northeast Brazil)

May arouse the fears of the central government, which then seeks to impose control. The U.S. is caught in a delicate position.

(e) Finally, if viable institutions do exist in the society outside government, they might be utilized for Title IX purposes.

One risk is that one may reinforce tradition, unmodern, retrograde institutions. Furthermore, such a program may arouse the hostility of the existing government, which fears it will lose power.

7. National unity is precarious; the threat of national fragmentation is real

Strategy

Risk

(a) As a general principle, in situations such as this any input from the U.S. must be carefully considered for its effects upon the precarious situation.

(b) One might try to develop Title IX programs which are universally liked, which do not work to redistribute power among national sub-units in the short run; and which in their long-term effects do unify a country: e.g., increased education, development of a common language where practical.

It may be very difficult to find programs which in themselves do not become bones of contention between central government and contending sub-units. Any new program may provide another cause for disunity.

(c) Do things which increase the perceived utility of the central government in the eyes of the people.

The corresponding risk is that fears of central domination may be enhanced among sub-units.

(d) Increase cooperative planning among constituent groups.

Same as (c).

(e) Work directly with sub-units to develop modern institutions, processes, and structures that are unifying, i.e., that for their successful operation must transcend regions. E.g. markets, modern interest groups.

This is delicate work, depending particularly on the nature of the subdividing loyalty in the country. Working directly with sub-units may make centrifugal tendencies worse. Central government may be hostile to direct contact with sub-units.

D. Conclusions about the Feasibility of Carrying Out Title IX Programs in a Given Country

It can be seen from this analysis that there are probably only a limited number of countries where commitment to political change is so great and lack of sensitivity to U.S. participation in that process so slight that a direct and fully cooperative attack on the problem can be mounted. In such cases, Title IX programs should be given high priority.

Equally there appear to be a few cases where the practicality of dealing with Title IX problems is, under present conditions, very limited--either because of the rigid status quo attitudes of the regime or because of the threat to other U.S. interests involved in encouraging or pressing a regime to adopt socio-political change it does not want. Thought should be given, if there are not other overriding U.S. interests, to cutting off economic assistance altogether.

The main conclusion of this analysis, however, is that the bulk of countries in which U.S. economic programs are being conducted lie in a middle range--there are factors which may limit the prospects for Title IX strategy, but equally in which there are some conditions which give scope to Title IX efforts and justify the expenditure of energy required to determine precisely where and how Title IX objectives might be melded with other U.S. objectives. Thus, in most cases, the kind of strategy concepts outlined in connection with countries only partially interested in political change and/or more or less sensitive to U.S. involvement in the process can be combined with the kind of strategies involved in countries considered receptive to Title IX changes.

The principal aspects of a country to be evaluated in the course of the analysis are these:

- (1) Attitudes of host government toward Title IX programs:  
(a) commitment to political development, (b) sensitivity to U.S. involvement.
- (2) Is decision-making power to central government diffused or highly concentrated?
- (3) Is government highly centralized or relatively concentrated?
- (4) Attitudes of government elite concerning the importance of economic development.
- (5) Dependency on the U.S.
- (6) Inability of leadership to lead.

- (7) Extent to which government is limited either in scope of its functions or magnitude of its operations.
- (8) Bureaucratic and administrative efficiency.
- (9) Adequacy of communication infrastructure.
- (10) Legitimacy of leadership.
- (11) Extent of economic development and social change in process in the country.
- (12) Legitimacy of governmental institutions.
- (13) Problem of national unity; possibility of fragmentation.

## V Host Country Circumstances and the Selection of Title IX Goals

### A. Introduction

We have now discussed the nature of U.S. interest in countries, and the relationship of Title IX as a general concept to other U.S. interests. We have also discussed the feasibility of carrying Title IX programs in terms of host government receptivity and capability, as well as some general strategy approaches implied by these considerations. We turn now to consider, given a U.S. interest in promoting Title IX in a particular country and some element of feasibility of so doing, to the question of what priority should increased participation have in a particular country? (parallel analyses should be developed by the programming office for such other Title IX objectives as "improved capacity to govern", "greater national integration", and "improved legal and justice system."

Before turning to specific aspects of participation, we must also recognize the interrelationship of participation as an element both of goal and means. We have viewed broadened participation in decision-making, in developmental activity, and in sharing the fruits of development as desirable characteristics of societies and polities, e.g. as goals in themselves. But we must recognize that each aspect of participation can under some circumstances be undesirable. Excessive participation, or inappropriate forms of participation, may threaten other goals - growth, national integration, capacity to govern (including law and order, administrative effectiveness, and legitimacy), and the rule of law. Similarly, each of these other goals can assume proportions and patterns which are undesirable.

In working toward balanced development in individual countries, it may be best to regard participation as if it were a means to each of these other goals. Without implying that participation has lower priority or status than other goals, this approach automatically focuses on the question of balance, e.g., on participation in relation to other goals.

Following this approach, we have sought to sketch the country characteristics which determine how and where participation can contribute to the other Title IX goals noted above.

### B. Economic Growth and Participation

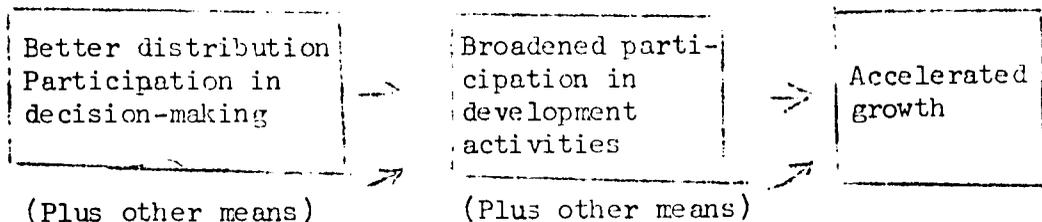
Among the fundamental determinants of capacity for economic growth are the existing level of development of human resources, infrastructure, and institutions; natural resources (including climate, soil, and location); and the commitment to development on the part of the government and the population. Participation has no impact on natural resources. Popular interest in development can be in the first instance

a constraint on participation, although programs to stimulate participation can be used to heighten popular interest in growth. The importance of broadened participation in accelerating economic growth depends largely, then, on three characteristics: the country's level of economic development, elite commitment to development, and popular commitment to development.

1. Level of economic development.

At the earliest stages of economic development, priority tasks usually include education and training to broaden and deepen the supply of human resources, special attention to administrative development, and investment in basic infrastructure. These tasks do not call for special emphasis on broadened participation.

As development proceeds, it becomes more important to stimulate broad participation in implementation, in order to modernize agriculture and stimulate indigenous private manufacturing. Improved distribution and a degree of participation in decision-making may be important as second-order means, e.g.:



At higher levels of development, groups active in implementation are likely to demand a greater role in decision-making, in part to assure more equitable distribution of the fruits of development.

Thus all three aspects of participation increase in importance as means to further growth, as the level of development increases.

2. Elite Commitment to economic development

Lack of elite support for measures necessary for economic development may reflect:

a. Defense of vested interests on the part of government leadership plus "the establishment" or on the part of the economic and social "establishment" primarily.

b. Preoccupation with national glory or other goals.

c. Impractical ideologies which stress development as a goal but insist on ineffective means.

d. Over-responsiveness to popular pressures or demands.

These reasons for elite failure to support the measures required for growth should be distinguished from inability to carry out desired programs due to administrative ineffectiveness, popular resistance or apathy or problems of national integration.

Broadened participation in decision-making may stimulate increased commitment to development where vested interests have been the constraining factor. This is particularly true where there is some or substantial interest in development on the part of government leadership, but where action has been hampered by a conservative "establishment".

Where leadership is preoccupied with other goals, broadened participation in decision-making at local levels and through voluntary organizations may generate increased developmental demands, thereby forcing higher priority for development. But increased participation in national political processes may also become a conduit for whipping up popular support for the leadership's (non-developmental) goals.

Similarly, where leadership is committed to impractical development ideologies, strong pressure for effective action from local levels and/or voluntary organizations may possibly force more flexible and realistic policies though this may lead to counteraction through repressive measures.

Where leadership is already too responsive to actual or anticipated popular pressures, broadened participation clearly is inappropriate.

### 3. Popular interest in development

Widespread popular apathy, rural or urban, may be due to isolation and conservative traditions, or to skepticism toward government programs and promises or both. Community development, co-operatives, and programs like Rural Works and Comilla in East Pakistan can be highly effective in overcoming fatalism, conservatism, and skepticism. However improved communications and more widespread education are also powerful solvents for isolation and conservatism. Efficient and reasonably honest administration is probably the best antidote to skepticism about government promises. Direct efforts to broaden participation are not necessarily the most powerful means of overcoming apathy. Other approaches may be easier to administer and have more direct and greater effects on other goals.

## C. Administrative Effectiveness and Participation

### 1. Administrative Problems and Participation

Ineffective administration may reflect:

a Inadequate quantity and quality of trained personnel with reference both to technical skills and to attitudes toward public service

b Widespread corruption

c Inadequate funds causing moonlighting and corruption, and also interfering with implementation of competently planned and honestly administered programs

d Poor organization and methods (overlapping jurisdictions, unclear lines of authority, inadequate budgeting procedures, etc )

e Vacillating political leadership

f. Overcentralization

g Inadequate consultation with and feedback from private groups whose cooperation is important

Among these problems, broadened participation has a close relationship to decentralization and to improved consultation. At some levels and in some kinds of programs, participation might help control corruption, but other measures are probably more important to this end.

Broadened participation through decentralization and increased consultation may backfire unless other administrative problems are tackled simultaneously. People who have been encouraged to present grievances, state demands, and offer ideas, but then see no results, are likely to become skeptical in more active ways than people who were never approached in the first place. More generally, rapidly expanded participation through various channels can seriously strain administrative capacity.

## 2. Conditions determining the desirability of decentralization

Decentralization can improve administrative effectiveness to the extent that it (a) increases decision-makers' knowledge of local conditions and desires, hence produces programs tailored to these conditions; (b) reduces delay, and (c) facilitates consultation between decision-makers and those affected by their decisions. Even without formal consultative mechanisms at the local level, decentralization is likely to broaden participation by facilitating access to decision-makers. Who takes advantage of this improved access -- local elites or broader groups -- is of course a separate question.

The appropriate division of labor between central and lower levels of government will depend on:

- a. the country's "operational size," as determined by its geographic area, the ease of internal communications the density of population;
- b. the diversity of local conditions;
- c. the relative technical competence of different levels of government;
- d. the degree to which local or provincial authorities are committed to modernization, as compared to national authorities;
- e. the relative degree of corruption at different levels of government;
- f. the degree to which local or provincial institutions are representative in character and/or responsive to popular desires and needs, as compared to national institutions. This is a question not only of local patterns of authority but also of degree of national integration.

In considering the desirability and feasibility of decentralization, however, the inadequacies of local or provincial governmental institutions should not be viewed as immutable. The competence, responsiveness, modernity, and honesty of local government can be increased just as these qualities can be strengthened at the national level. In some cases local institutions may be more amenable to change than national; in other cases national institutions may look more promising. The question must be weighed not only country by country, but also function by function.

### 3. Fuller Consultation

Regardless of whether greater decentralization is feasible or desirable, the design and implementation of development programs and policies in most LDCs can be improved by fuller consultation at all levels of government between officials and those affected by their decisions. This of course represents one means of broadening participation in decision-making.

Such consultation may take many specific forms. At the national level, for example, a central planning organization or the planning unit of individual ministries may hold formal hearings systematically to tap the knowledge and views and private associations of businessmen, educators, labor union federations, and other groups. Municipal agencies could similarly consult local professional and interest groups.

The danger in such consultation is that public agencies may be captured by private interests. The desirability of fuller formal consultation at any level of government and on any specific subject or program depends on (a) the extent of informal and formal consultative devices already existing, (b) the extent to which various affected groups are roughly even or are grossly unequal in organization and articulateness; and (c) the integrity -- in both the narrow and broad senses -- of the public agencies involved.

D. National Integration and Participation

Cleavage patterns in developing countries can be classified according to the degree of fragmentation, and according to whether the ruling group represents a minority or a majority. Most nations fit one of the following categories:

1. Fragmented nations with several or many major groups or regions, no single group clearly dominant
2. Fragmented nations with several or many major groups, one group dominant
3. Countries with two roughly balanced groups
4. Countries with a dominant minority, coinciding with class divisions
5. Countries with a dominant majority, and a sizable and disruptive minority
6. Countries with a major neglected region which does not have marked ethnic or linguistic differences from the larger polity.
7. Relatively homogeneous population; existing divisions do not threaten unity or substantially influence policy.

Substantial tension not based on class exists in all but the seventh

The degree of tension is a rough measure of the priority of national integration relative to other goals. Both the degree of tension and the pattern of cleavage are important in determining what kinds of participation, if any, are useful in promoting integration. For example, where a majority dominates one or more minorities, more democratic national political processes may simply reflect intergroup hostilities and lead to increased repression.

The degree to which groups are concentrated regionally or intermingled also affects what forms of participation may be helpful. Increased self-government through decentralization is likely to be useful in the first but not the second situation.

Finally, the attitude of the government should be considered in determining the desirability (and feasibility) of increasing participation as a means to national integration. Governments may be:

- a. Eager to reduce tensions through conciliation or through careful balancing of interests and power
- b. Largely indifferent to the problem (Liberia, Guatemala, Ecuador)
- c. Firm, not particularly conciliatory, but not repressive
- d. Repressive.

Broadened participation seems most likely to stimulate increased and constructive attention to integration in those countries where the government has been indifferent to the problem.

E. The Rule of Law and Participation

(To be filled in by someone who understands what's included under rule of law.)

description should be kept fairly open in the sense that different kinds of data may be available from different countries and new bottlenecks of institutional change may well emerge. Nevertheless, a tentative start should be made to differentiate critical stages in development if Title IX advocates are to become successful advocates and if Title IX is to compete with alternative priorities and justifications for assistance.

The problem of devising a useful typology should be of continuing concern to AID, but should not be undertaken unless the fundamental conceptual problems are recognized and understood by AID analysts and field missions:

(1) Political development is non-linear. This difficulty appears in the conceptual sense in the misleading notion, probably acquired from economics, that we can meaningfully talk about the "rate" of political change. In order to transform political variables, e.g. party structure, decision-making processes, political values, into a form such that we can speak of an increment of one variable affecting another in a predictable form, the variables must be stated in such abstract form that inferences relevant to policy are virtually impossible. This problem is basically a product of there being no single standard of measurement, e.g. money, by which diverse inputs of variables can be compared and analyzed.

(2) Political development is highly structural. The obstacles to participation are difficult to describe in any one form. The problem of elite rivalries does not take the same form as the problem of group conflicts without severe simplification. The more diffuse political characteristics of loyalty or commitment to a government are of a highly expressive nature, observed largely by their intermittent manifestation in moments of crisis or of authority. There are no simple guidelines to assess the relevance of the party system, the constitutional order or other conventional political institutions in relation to participation. A political system represents successively remote and increasingly specialized decision-making processes arranged around a central authority. The points of breakdown, the nature of conflicts, the range of opportunity in a political system is the complex result of how all the decision-making processes relate to each other.

(3) Political development can undergo repeated regression. The political change process, even in industrial countries, may encounter new obstacles and new rigidities at each successive stage of overall development. The fortuitously discovered key to erecting an effective party structure may, in turn, become the major obstacle to extending suffrage. The initial successful local government scheme may entrench an ethnic minority or religion clique who manage to monopolize local activities. Any scheme to assess overall potential for political change must acknowledge that today's accomplishment may become tomorrow's liability. The higher the general level of societal complexity when such bottlenecks appear, the higher the "cost" of political inflexibility.

For these reasons and many more AID should look skeptically on very abstract statements of the change process. On the other hand, AID will also

IV. The Specific Constraints Within Societies on the Effectiveness of the Title IX Programs

This paper has sought to establish a framework for analysis upon which can be built Title IX strategies through four levels of generality - the U.S. interests in a particular country; the receptivity of countries to political change and to U.S. involvement in the process of change; the roadblocks which affect governmental capacity to carry out the kind of changes implied by Title IX; and the interrelationship of participation to other objectives of Title IX. What we have sought to demonstrate is that through an interrelated analysis of these concerns, there are general strategies which can be suggested and which provide access to societies to pave the way for more sophisticated Title IX efforts.

The programmer of country assistance, however, is faced not simply by generalities, but rather by a vast array of particularities which shape the society with which he is dealing and which facilitate or limit the prospects for moving towards greater participation. While we believe that the analysis given above aids programmers to determine the general directions and emphases that might be given to Title IX programs in the specific countries with which they deal, an enormous range of further and far more sophisticated analyses of the specific dynamics of the society must be made.

No matter how receptive to change a government may be, no matter how well it has solved its own capacity to deal with problems of change, the extent to which change can be brought about depends on the specific social and economic factors facing the particular society, and these affect the way Title IX programs should be elaborated. Thus, while a government may seek egalitarian and participatory economic policies, if the level of development is very low and the size of the subsistence sector very large there will be real constraints on how far, at least in the short run, egalitarian policies can be pursued - in fact, some increase in dualism and widening of economic benefits may be a necessary precondition to the growth which subsequently can bring about improvement for the whole populace. Or, while a government may agree that rural development and modernization is needed, the specific forms and directions taken to achieve this end will surely be affected by family patterns, societal values concerning mutual trust and association and so forth. All these factors must be taken into account in devising specific Title IX strategies. And all these factors, as indicated in the opening of this analysis must be fed back against the earlier considerations which have been explored.

A number of typologies have been suggested by students of politics for categorizing the developmental process. Unfortunately, most of these typologies are much too theoretical to be easily related to Title IX problems. If AID is to construct priorities for participation, however, some general scheme will be needed to evaluate the developing country's stage of advancement and its potential for development. Such a systematic

need some guidelines to anticipate reasonable performance levels if Title IX assistance is given, and, even more, will need some rough guide to identify those governments that are most responding to demands for participation that they might readily absorb. Possibly the following distinctions help sort out the problem.

Until better practical guidelines and typologies can be developed, U.S. knowledge about other societies will be very imperfect. But programmers must make decisions today about directions in which resources will be allocated, and thus imperfect decisions will be taken until more complete data is gathered. Yet every effort must be made to increase the knowledge on which decisions are based. Perhaps the best source for much of this knowledge will come from sources within the country in question, and where possible it appears highly desirable to use indigenous research institutions, universities, foundations and the like to help us build knowledge. This is clearly easier to do in cases where we seek to work overtly with host government in achieving specified political objectives. But through one means or another, there must be a constant feeding into the decision-making process of more sophisticated knowledge about the social and economic constraints to Title IX objectives, to permit more knowledgeable overall strategies and to increase the prospect of success of specific projects and programs undertaken to achieve Title IX objectives.

SUMMARY OF CONSIDERATIONS AND CONCLUSIONS ON HOST COUNTRY SITUATIONS  
AND U.S. STRATEGIES

A. Changing assumptions and emphases:

Our assumptions in the early '60's, that economic growth would generally, by itself, lead to desirable political and social development, no longer appear to be sound. For this reason, Title IX instructs us to reorient our thinking and actions toward how we may more directly use economic and other types of assistance programs to promote not only economic development but desirable socio-political change.

This change in emphasis makes the specific objectives of A.I.D. programs broader and more diverse than under simple economic development criteria. We earlier considered "self-sustaining growth" as the main purpose of economic development. With increased participation and constructive socio-political development as the goals of Title IX-oriented assistance programs, the precise definition of program goals in particular countries becomes complicated. Desirable general goals will assume different shapes in different social-political circumstances.

On the other hand, the very fact of broadening the range of end products of our assistance programs may ease cooperation with many host governments, some of whom have long questioned whether our insistence on economic criteria did not in fact mask political intentions. Yet it is apparent that these new U.S. concerns may, in other instances, complicate our relationships with particular LDC's.

Title IX, therefore, requires a higher level of sophistication and sensitivity than was required before when economic development alone was our immediate objective.

B. Title IX Strategies:

In considering Title IX strategies there was recognition that no effective typology could be defined on which individual country strategies could be constructed. However, some generalizations can be made with respect to certain aspects of U.S.-host government relations which can open the way to beginning strategy development. The main factors which shape country strategies are the following:

(1) relation of Title IX to other U.S. interests:

While Title IX is a new and important consideration with respect to the content of all economic assistance programs, we must also consider

the relationship between Title IX and other U.S. interests and the limiting effect those other U.S. interests may have on our willingness to pursue Title IX objectives. A detailed examination of characteristic U.S. foreign policy interests made it clear that the significance of their interrelationship could only be determined at the country level.

## 2. Receptivity and capacity of governments for Title IX Innovation

(a) The receptivity of countries: It is also necessary to consider to what extent a particular country is receptive to Title IX activities in two senses (i) how ready is it to press forward with social and political development? and (ii) how willing is it to have the U.S. participate in bringing about such changes. If receptivity on either count is low, special problems of U.S. Title IX strategy present themselves.

(b) The capacity of governments to introduce Title IX innovations assuming they are sufficiently receptive to be willing to have us work with them. The capacity of a government to introduce such innovations will be constrained by such factors as:

(i) Leadership weaknesses ,i.e., lack of imagination, energy, organizing ability, or capacity to rouse popular enthusiasm for action programs;

(ii) Constraints on the writ of leadership due to ideology, financial resources, etc.

(iii) Lack of bureaucratic effectiveness;

(iv) Lack of communications infrastructure;

(v) Lack of governmental legitimacy;

(vi) Lack of institutional legitimacy

(vii) Lack of national unity

## B. Conclusions on receptivity/capability

(i) The conclusion from this analysis was that there are probably some countries where (a ) receptivity to close-in U.S. participation in Title IX activities and (b) capacity to effect Title IX innovations are such that we can expect full cooperation for a major Title IX program. Where such a combination of conditions exist, we should consider mounting a high priority Title IX program.

(ii) By contrast there are probably a number of cases where sensitivity to US involvement and government incapacity are so notable that we should consider that little or no assistance is justified. There may even be cases which, under these criteria, call for cessation of present programs.

(iii) The main conclusion was that the bulk of countries where we have economic development programs lie within the middle range between these two extreme cases. Thus, in most cases, the kind of strategy concepts outlined in connection with countries only moderately interested in political change and moderately sensitive to U.S. involvement would be appropriate. These will be found in the body of our discussion.

3. The specific socio/political context of a particular country will also set limits to and define the opportunities open to both the indigenous government and the U.S. in considering Title IX activities. Because of the multitude of particularities in each country relevant to this consideration we were unable to classify these in a manner useful for strategy planning. This aspect of the problem can only be dealt with through close examination of specific country situations and calls for substantial analysis and fundamental research before major Title IX programs should be undertaken.

4. The interrelationship between "participation" and other Title IX objectives: While recognizing that Title IX's central concept is "participation", this itself encompasses many diverse aspects of social and political relationships. But Title IX also calls for other socio/political innovations in addition to "participation". A critical aspect of defining strategies is to consider (a) the balance appropriate for that particular society of the various Title IX objectives and (b) the relation between "Participation" on the one hand and such other objectives as "economic development", "a greater capacity to govern", "National integration" and "promoting an improved legal system and administration of justice".

Preliminary analysis suggested the importance of this consideration. But like the socio-political context more generally, it is difficult to lay down specific strategy recommendations except in relation to specific host country situations.

AID-Instruments

John Montgomery  
July 27, 1968

SOME CONCLUSIONS FROM INSTRUMENTS REPORT

1. The U.S. risks little or nothing by attempting to design and carry out its aid programs with view to increasing popular participation and governmental responsiveness. But the vigor of the attempt will clearly be dampened where the host government is hostile to such purposes and the USG has other powerful interests that require the support of that hostile leadership.

2. Title IX should receive absolute priority in U.S. "presence" countries and a high priority in countries whose governments are favorable and the U.S. has a strong interest. In other situations, the primary interest of Title IX is the design and execution of programs installed to serve different purposes.

3. It is not enough to design a few token Title IX projects if the balance of U.S. activity weighs heavily against the development of popular participation and the increase of government responsiveness. In such cases, the general direction and total design of the U.S. program should be reassessed to see whether the national interests can still be served without having such consequences in other countries.

4. American concern over the political sensitivity is exaggerated in some cases, insufficient in others (pp. 4-5). Sensitivity to Title IX considerations is not a constant factor, but a product of forces that have to be weighed in each case.

5. American activities in support of Title IX objectives should be incremental (i.e. additive to the host governments own efforts in that direction). This proposition means that the developmental programs a government is already undertaking have to be reviewed in order to determine how the American input can be joined to local efforts. (Examples of the kinds of analysis suggested appear on pp. 5-6).

6. Most government activity that encourage citizen participation are in the developmental sectors (agriculture, education, public health, industry, etc.), and therefore the manner in which these functions are conceived and discharged is an important "contact point" for Title IX activities. American technical assistance to governmental program administration in such fields should place less emphasis on the traditional values of efficiency and technical sophistication, in order to devote more attention to the relationships between a government and its citizens in each technical program. This recommendation calls for new uses of public administration specialists in an AID mission especially to serve as staff advisors to the U.S. technicians and host country ministries in exploring ways to design and execute developmental projects (pp. 7-8).

7. American support to efficient management of the civil and military service may have the unintended consequence of making them the most effective decision-makers in a society and creating a temporary immunity on their part from external influences. In such cases, the U.S. has an obligation under Title IX to seek out means of strengthening other countervailing influences, by aiding legislative bodies, providing leadership training and technical and capital assistance to popular interest groups,

John Montgomery  
July 27, 1968

Some conclusions from  
Instruments report  
(contd)  
page 2

by offering various forms of symbolic and technical support to the judiciary, and by seeking to persuade decision makers in the civil and military administration to take political responsibilities into consideration in their official functions. (p. 9)

8. Indiscriminant support to various decentralization schemes may destroy local government capabilities by prematurely overloading their capacity to make decisions, carry out programs, and respond to their own constituencies. American influence in this direction should be preceded by careful examination of their capacity to respond (pp. 10-13).

9. Support to independent and semi-autonomous institutions does not necessarily increase the prospects for popular participation or governmental response to it. Presiciting the consequences of such support requires detailed analysis of the social dimensions of the institutions involved, and of their social ecology (pp. 14-23). Similar limitations apply to support to host country voluntary associations (pp. 37-42).

10. Direct involvement of local government representatives in national planning serves the ends of better planning as well as those of maximum participation (pp. 23-24) (pp. 31-32).

11. Economic policies that bring cash incentives to the non-monetary sector and convert subsistence activities into more modern forms of production will produce more powerful, sustained growth as well as encourage more participation than policies that concentrate benefits on a small modern sector (p. 32).

12. Making good use of incentive taxation for growth purposes requires assistance in administrative as well as policy improvements (p. 33). Price incentives for small producers and savings-for-investment incentives for the wealthy are powerful instruments for distributive justice as well as for productivity purposes (p. 34).

maximizing  
optimizing

To Do

Montgomery/Lyman  
July 27, 1968  
Conclusions from  
Instrument Report  
Page 2 (deletions  
and addenda)

Participants: Delete sections 9-12, page 2, and substitute the following:

9. A.I.D. has many instruments designed to promote local participation, but their initiation, operation and effectiveness need to be assessed in each case to see

(pp. 17-28)

a) how locally organized institutions link into the political and administrative structure and whether in the nature and phasing of their demands they are helping differentiate and broaden the power structure rather than atrophying it.

b) how resistance on the part of the political and administrative structure can be anticipated and overcome, e.g., through a careful selection of demands, phased assistance to governmental units where resistance is anticipated.

c) whether the participation promoted by these organizations contains the substance of power and the means to self-improvement, i.e., whether it is related to development programs so that participation can lead to meaningful self-improvement and whether the local participation does not divert attention from the rectification of major national social and economic issues.

d) more attention needs to be given to the development of locally organized participation in urban areas. The U.S. should embark upon this as an equal in finding solutions to common problems and should be prepared to use the various participants in this area in the U.S. -- ghetto leaders and organizers, city administrators -- as points of contact, discussion and mutual learning with their counterparts overseas.

*permit*

*PANAMA  
DOM. REF.*

10. In pursuing policies and programs for economic development and growth in the LDC's, more research and attention needs to be given to

*p. 29-36*

a) how economic modernization and greater participation can be maximized together and made mutually reinforcing in the early stages of development.

b) how to judge when economic development has priority and when participation does in individual country situations, i.e., when the demands upon a system outrun its ability to respond, or the lack of ability to develop is slowing incentives and opportunities to participate, or where lack of participation and popular demand precludes the likelihood of a nationwide development effort.

e) the ways in which a fairly authoritarian system for mobilization and direction of resources for development can be encouraged to move toward a system with greater democracy and participation, perhaps by direct use of economic tools and policies.

11. Economic planning advice offers a major means for introducing a broad spectrum of goals for consideration by the host government. The planning process itself should be seen as a major opportunity for broadening participation of local units of government, private associations and private institutions in the establishment of national goals and their implementation. A.I.D. planning teams should be selected with these objectives in mind.

12. Economic policies that bring cash incentives to the non-monetary sector and convert subsistence activities into more modern forms of production will produce more powerful, sustained growth as well as encourage more participation than policies that concentrate benefits on a small modern sector.

13. Tax, fiscal, monetary and pricing policies are all instruments for economic growth and development which also have great effect on participation. There are many ways in which our advice on the use of these instruments can be geared to limiting the inequalities of income distribution without hurting growth, increasing the role and participation of the private sector (including small and medium savers) in development, and reducing corruption and narrow favoritism in the mobilization and distribution of resources by the improvement of financial institutions and encouraging movement in economic management from direct to more indirect controls.

14. A.I.D. interest in the development of private associations is a direct extension of our interest in local, and national participation.

The criteria for support of such associations should include: (p 37-47)

a) the source of leadership and the opportunity for expanding rather than perpetuating the present pattern of elite control through such organizations. Included here is a decision on whether to help the present leadership or to help build a new leadership for the future.

b) the ability of new groups to survive -- financially, politically.

c) the functions these groups would perform and how A.I.D. can assist in developing these functions -- e.g., the possibility of giving them economic developmental functions that will establish their position and give them experience before they move to broader social functions.

d) / The desirability of giving more attention to organizational training (how to organize an association, arrange and collect dues, develop local chapters, etc.) than just professional training (law school training, etc.).

e) / the problems of continuity of support and the ability of A.I.D. to provide personnel, material or other support to groups as long as necessary.

f) / the types of financial support that are most appropriate, with more attention to self-help, matching contributions and the introduction of host country and U.S. non-governmental agencies as means of support and prestige after A.I.D. help ends.

g) / avoidance of scatteration and hit-and-miss "leadership" programs where A.I.D. programs are small and leadership sources are largel. In these cases, concentration on one or two key groups is better than a generalized leadership assistance effort.

Montgomery and Lyman  
Instruments Working  
Group  
July 25, 1968  
Final Draft

## AID Instruments and Title IX Objectives

### Summary Report

#### Introduction

Speaking of foreign aid as a series of instruments vaguely implies using programs as levers of change. The ambitious have seen in them a gigantic carpenter's chest of tools for influencing recalcitrant governments and decaying social orders. Reality is not so simple. It is true that every activity of an AID mission is instrumental to some purpose, and it may also be true that the U.S. has nothing to lose anywhere by using its programs to improve popular participation and governmental response capabilities, as described elsewhere in this report. But this proposition does not offer much guidance for program design when these objectives conflict with other U.S. interests or those of the host government.

Any effort to describe aid instruments in terms of Title IX objectives will seem unreal if it ignores the fact that most instruments serve several purposes. There are probably no pure Title IX instruments (even programs designed to increase popular participation may be seized by a despotic clique or used to deceive those it was intended to benefit). Perhaps all aid activities can be used in such a way as to enhance Title IX prospects.

This possibility serves as the starting point for the present analysis. For purposes of this discussion, we assume that U.S. aid will serve Title IX purposes if it contributes to the capacity of the host government to sustain itself through the use of its modernizing programs, and at the same time to increase its responsiveness to popular needs. We assume that similar purposes will be served if aid to the private sector creates additional opportunity for citizens to express and satisfy their desires for a better life, as they perceive it.

In analyzing aid activities as instruments of policy, we must make at least these four assumptions:

First, that we know what we want to do in a given country with the available resources. In the end, Title IX objectives should be conceived as clearly as those prescribed in economic or technological terms, if one is to make rational use of the AID instruments for these purposes.

Second, that we can tell, and even measure, what we are doing. The problem of measurement, addressed in another functional group report, must be specifically related to the instruments involved in a specific context, in order for you to make judgments about the effective selection and use of instruments of change.

Third, that we can identify which activities produce the desired changes, and presumably that we are able to make more efficient and powerful use of them. The problem of selection, and of specific linking of activities with results, becomes especially crucial when adjustments are to be made in the balance of the total American program activity in order to correct disproportionate consequences of American activity.

Finally, that undesirable changes can also be traced to specific activities. Presumably, such results are the inadvertent consequences of activities designed to accomplish other ends; they flow from the use of AID instruments for other purposes, and thus may not be readily discontinued. But the law enjoins AID to consider possible adverse consequences of its activities, and the judgment as to which should be curtailed (as well as judgments about which should be increased) requires that the trade-offs of desirable activities in one sector be measured against their undesirable consequences in terms of Title IX.

The classification scheme used in this report is an effort to explore one means of analyzing AID instruments of change. It is based on points of contact between the AID mission and various elements in the host country. It does not follow the conventional pattern of listing instruments as they are generally understood (capital projects, technical assistance, commodity assistance, commercial import supports and local currency, for example) and trying to show how they could or should be used. (See Annex I for a listing of such instruments.) As already suggested, these instruments can be used for such a wide variety of purposes that an attempt to classify them in the abstract would be almost meaningless. A more refined approach might be to begin with the purposes of Title IX, and to classify the instruments that could be used to achieve each. But the level of abstraction would still remain high, unless the case were presented in a matrix of typologies of U.S. purposes and host country situations. The same objections apply to both "ends" and "means" analyses: the language would be familiar, but it would be vague; moreover, AID has already begun working along such lines in the specific country program reviews it is undertaking in response to the Congressional initiative; and it is at such country levels that this form of examination is likely to be most fruitful.

The approach taken here is to examine foreign aid activities at various immediate points of contact in host countries. We begin by considering the general balance and total impact of aid as a special problem of programming, beyond the specific results of individual projects. We then turn to U.S. assistance to central government agencies, including both their "developmental" and their "support" functions,

with special reference to means of using modernizing programs to foster popular participation. Continuing the discussion of U.S. support to institutions, we consider most those activities that seek to promote local government and public and private associations. The third contact point we consider is economic policy, taken on both national and local levels. Finally, we turn to aid to non-governmental organizations on the national level.

### I. General Impact of American Programs

The notion of "balanced growth," appealing as it is to lovers of symmetry in art, has been severely challenged as economic doctrine for foreign aid. Clearly, in the political arena, American intervention, intentional or otherwise, is not "balanced." But if the preponderant weight of American influence runs counter to Title IX objectives, regardless of some few isolated efforts to encourage participation or improve governmental institutions, the spirit of Title IX, and indeed its essential purpose, is violated. In total impact "the whole is greater than its parts."

We have no systematic way for appraising the net impacts of various American programs. Political economy does not tell us, for example, at what point American support to traditional political leaders might neutralize efforts to encourage the participation of apathetic masses. Again, we design American participant training programs to give larger sectors of the population access to the decision-making roles of government, but we do not know the extent of loss suffered by our support of the educational ministry in its effort to confine the opportunities of schooling and higher education to a privileged elite. Or, finally, if the U.S. funnels most of its aid through a rigid, tradition-ridden bureaucracy, an unknown deficit occurs in the net impact of the American assistance in terms of participation. Questions like these have to be addressed by administrators concerned with injecting the Title IX dimension into the variety of programs receiving American support.

#### 1. Political Sensitivity

In spite of the difficulties of finding exact answers to questions like these, AID cannot be indifferent to them. It is not enough to refrain from such considerations because of the political sensitivity issues raised by Title IX. Nor is it enough to assert that foreign assistance has always had domestic political implications (implying that therefore we can continue to ignore them). Title IX raises much more precise and systematic questions about localized assistance, and such blanket objections only sustain ambiguous actions with regard to political development. The change process is itself controversial and always has been. But controversies are not often avoided by deliberately ignoring them.

Political sensitivity on the U.S. part involves two dimensions:  
U.S. interest and host country receptivity (see matrix below).

		<u>U.S. Interests</u>	
		High	Low
Host Government	High	A	B
Receptivity	Low	C	D

Title IX problems do not involve political sensitivity very deeply in situations "A" and "D": in the first situation (Korea in recent years, for example), the issues can presumably be worked out by mutual planning; in the second (Guinea, e.g.), the U.S. may presumably withdraw, or take high risks by insisting on Title IX activities since little is at stake. Situation "B" is illustrated by Malaysia and Indonesia, where the governments want more assistance than the U.S. can readily supply, and the U.S. is presumably well advised to concentrate on a few relatively high viability project with a high Title IX flavor. Situation "C" is the most politically sensitive of all, and it poses the most serious problems for Title IX programming.

It might be possible to clarify the problem by examining cases in which the host government's attitudes toward participation reflect the general condition of political development in the country.

First, a government may be entirely unsympathetic to the problem of increasing participation. When Title IX proposals are simply rejected by the power structure of an autocratic government, there is obviously little we can do to give high priority to this dimension of aid. Quite possibly, low priority should be attached to other forms of assistance if we wish to manifest our convictions about participation.

Second, a government may be sympathetic to Title IX, not be unable to implement projects because of internal strains and conflict. In such cases, the AID mission is confronted with difficult and delicate choices in exploiting good intentions in the host country. The pitfall is making alliances that may encumber development (e.g., trade union support at early stages may later become a vested interest).

In a third situation, a government may have made substantial progress toward increased participation and begun to retrench as demands and repercussions create larger numbers of competing structures. In this case, AID's problem is one of persuading political leadership that more general forms of support will not be damaging to elites and the issue centers on developing broad institutional responses (e.g. a cooperative scheme may reach a point where a new pressure group emerges to affect broad policies, and the government may have to find ways of meeting these challenges).

Fourth, a country may achieve sufficient social complexity to make proliferation of the power structure in some areas uncontraversial. For each country one can point out some functions which, over time, become part of accepted procedures and political exchange. In such cases, Title IX support can raise its sights to more vert forms of politica assistance (e.g. forming professional pressure groups such as the Turkish Management Association).

Sensitivity, in short, must be assessed in relation to some estimate of the objective situations. Too much sensitivity without evidence for apprehension indicates the regime may be resisting participation and exaggerating fears. Too little sensitivity, a rarer phenomenon, may indicate that the regime is not capable of making an objective estimate of its own change problems. Hence, sensitivity should not become an independent variable, but should be assessed empirically and weighed in policy in relation to the situation and its potential for change.

## 2. Program Review: Internal Questions

Presumably a program officer reviewing the potential Title IX contributions of U.S. aid to governmental capacity to sustain itself through the use of its modernizing programs, while increasing its responsiveness to popular needs, would have to consider what each project added to the government's efforts. These efforts would logically include the following stages, each of which would be eligible for assistance under Title IX:

a. Analysis of country needs in each sector in which aid is offered. Where the government's planning seems deficient because it does not reach the silentportions of the population. The American contribution can make an important additive contribution ("substitutions for participation"). Where the planning is defective because it does not provide adequate means of responding to changing public demand, the U.S. can help strengthen the government's capacity to do so ("anticipatory institutionalization").

b. Project design within externally supported programs. Where the ministerial activities show concern only for economics of professional (e.g., agricultural, public health, education, etc.) standards the U.S. increment can be in projects that may be in themselves 'marginal' to macro-economic purposes, but potentially useful in terms of reaching segments of the population not touched by other national programs ("responses to unarticulated demands").

c. Resource mobilization for the execution of developmental programs. Where the government's financial resources come from taxes on the poor, and its administrative personnel come from the families of the rich, The U.S. can offer advice and funds to bring about a better balance. Where developmental projects are placed in the hands of groups likely to be unresponsive to popular demands (the army? a guardian bureaucracy? corrupt privateers?), The U.S. can take steps to reduce its dependence upon such resources ("equalizing the burdens and privileges").

d. Generation of public support for developmental programs. Where a government feels compelled to carry out unpopular programs for national development purposes, the U.S. can help find substitutes for a coercive posture toward the citizens involved. American aid can not only provide communications support to agencies so engaged, but it can also experiment with ways of inviting client groups to participate in making the relevant decisions involved ("forestalling hostility and apathy").

e. Efficient and effective administration. Where governments feel compelled to substitute welfare or standards for those generally accepted by American public administrators, the aid input is usually "organization and methods" advice. Title IX also suggests that American help generates other means of providing for the school-leavers, the urban underemployed, and others now placed on governmental payrolls for want of an alternative livelihood. Efficiency and honesty in government management are not problems of public administration alone. Social and economic activities have to be considered outside the immediate bureaucracy before conventional Western principles of administration can be applied. ("Administrative social substructure")

### 3. Program Review: External Questions

In addition to the internal balance among American programs, a specific country situation may pose other imbalances to offset the American effort, however well conceived: for example, where numerous aid donors are at work, if the thrust of certain third country programs is more heavily in the direction of participation, or institutional strengthening, than that of the United States, the American presence may be, in some respects at least, dysfunctional. Title IX does not, of course, tell the United States to outbid all other donors in its emphasis on participation. But if the Israelis are working on kibbutzim in an Asian country in which the United States is working primarily with the military forces, the net American impact may be against the Title IX

balance. In Ethiopia, to cite a specific case, the long-term American support to the Emperor, in spite of its usefulness in supporting his modernizing programs, was used by the rebels of 1961 to discredit the whole American effort: an image which was further strengthened when the Emperor used American-supplied military forces to take reprisals against his disloyal subjects. The American program in Ethiopia included some minor participatory projects, but because the U.S. relied on European donors to supply institutional needs outside the military sectors, democratically oriented Ethiopians who had hoped the U.S. aid program would strengthen their hand, were disenchanted and discouraged.

## II. U.S. Activities in Development Administration

### 1. Development Ministries and Agencies

Development Administration is here defined to mean the introduction of technology and the spreading of its fruits among citizens through government action. In fields of agriculture, public health, education, industry, and public wealth, for example, government works through its ministries and a variety of private organizations to this end, and AID supports these activities by supplying various terms of capital and technical advice. When technical assistants offer program advice to ministries so engaged, they usually perform as development administration advisors even though they consider themselves as agriculturalists, public health specialists, educators, engineers, and the like. Two years ago, recognizing the intimate relationships between one group of technologies and administrations, the Philippine government organized a task force to modernize the agricultural sector, approaching about half of its member from technical specialties and the other half from the ranks of administrative specialists. The Denizli project in Turkey, which began its operations in 1963, also works with a mixture of technicians and administrative specialists in a regional modernization program. American aid missions have only begun to recognize the potential advantages of using public administration specialists as staff advisors in technical programs.

Development ministries engage in three forms of program activity in enlisting the support of the citizens they regard as client groups. Each of these activities can be conceived in terms of participation and response, for Title IX purposes:

(a) They enforce laws and regulations in order to distribute the benefits of their services fairly. In this process, the dimensions of participation are latent but potentially important. The Irrigation Department of the Government of Pakistan, for example, has to regulate and control the distribution of irrigation waters through the establishment of laws and rules and regulations and watering schedules.

But the actual enforcement of the resulting schedules is accomplished through peasant groups who assist in applying the regulations for distributing canal waters to members of the water distribution system. And in most countries the appearance of hoof and mouth disease in animals usually requires the health officials to assume summary police powers in the condemnation of diseased animals. Usually the government asks a group of articulate farmers to explain to their neighbors the necessity for the radical requirements, including violations of due process of law, in order to permit the immediate condemnation of animals and stop the spread of the disease. Similar examples in other fields suggest an important, though scarcely obvious, role for American technical advisors. Technicians must be concerned not only with professional standards but also with the political consequences of governmental efforts to regulate the activities of private citizens in the interests of national development.

(b) They may stimulate supporting and multiplying activities from private groups. Sometimes capital projects such as roads and dams may be used to encourage and stimulate other investments (feeder roads, tertiary irrigation systems). In other cases certain government functions may be carried out by private groups organized by government initiative. In Turkey, for example, the Ministry of Commerce and Industry has assisted, through direct financial support, in organizing Chambers of Commerce, Unions of Chambers, the Turkish Management Association and the Turkish Municipal Association. The Department of Labor has also given financial support to assist in sustaining labor unions. The Ministry of Industry of Commerce has given financial support to the Confederation of Employers to assist in developing collective bargaining skills. The government of Turkey recognizes the value of such voluntary associations and has contributed substantial sums in order to assist the Associations and provide required services to their membership. American project aid to these ministries should systematically seek to add such participation increments where they have been overlooked by the host government.

(c) They develop a variety of means for responding to the citizen demands articulated as a result of their activities, and for correcting imbalances and excesses in the private sector. Even the coolest bureaucratic responses to citizens desires tend to warm up when the citizens become numerous and well-organized. In such cases, higher officials can often be induced to make use of citizen councils and advisory groups to find ways of reacting responsibly to such demands. The Turkish municipal councils mentioned above serve such purposes, for example. When client groups are transformed into pressure groups, of course, public concern over excessive devotion to their interests may require corrective action. At this point the plan of private interest and public interest reaches the heart of the political process, usually extending beyond the appropriate reaches and concerns of foreign aid.

## 2. The Support Agencies

Most American professional public administration advice is addressed to "auxiliary" or "support" ministries and agencies, including finance and the budget, planning, civil service, administrative management, and public safety, whose activities make possible the "developmental" role of government. The presumption is, of course, that increasing the efficiency of these staff agencies contributes to political capabilities of the government. This presumption is questionable in some situations. Certainly no developmental program can be effectively carried out in the absence of the required logistical base of financial and manpower resources. Much of the work of professional public administrators is devoted to analyzing the requirements for providing this support, and a vast reservoir of analytical experience is now available upon which to base such advice. But there is considerable evidence that strengthening the auxiliary agencies in government may disturb the balance of political forces and actually reduce the opportunities for popular participation and the need for governmental response. At a minimum, American public administration advisors have an obligation to consider whether their activities will have such effects.

Two courses of action in response to such findings are possible: to aid other sources of political power in order to keep the bureaucracy responsive, and to refrain from further assistance that might strengthen the capabilities of the civil service. The first course is obviously preferable, where it is possible.

Aid to legislative bodies, especially in their fact-finding and investigative functions, is an example of corrective action that has been only rarely undertaken. Other efforts to find ways of offsetting bureaucratic domination include support to the judiciary and legal professional groups, training political party leaders, attempting to broaden the recruitment base of the civil service itself, assisting in the establishment of quasi-public corporations, and promoting press associations and other devices for advancing free inquiry and public information.

There remain also questions of intergovernmental relationships, as they affect the balance of political forces playing upon and responding to citizens. The American role in influencing the delicate relationships between development ministries, between field staff and headquarters, with support and control agencies, and among various "competing" agencies and units working at the local level, is probably very slight. But it is still possible for Americans to recommend the assignment of certain functions, especially those supported by its aid, to one unit or another. It is also possible to register with central authorities some of the political difficulties encountered in implementing programs because of competitive activities of different governmental units, which may in practice be unknown in the capital city.

↑ communication  
2-way  
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### 3. Decentralization

Decentralization offers a convenient slogan for critics of national power, but it is also an inescapable aspect of participation. The language of Title IX implies that efforts should be made to decentralize decision-making and the carrying out of programs. The assumption is that decentralization has uniform and predictable effects toward increased participation. The general truth of the assumption obfuscates a number of difficulties encountered with various kinds of governments and with the remnants of widely differing local government frameworks when they are used for localized development efforts.

The desire for increased participation must be weighed against the problems of overloading poorly staffed and inadequately trained ministries. At the local level there are problems of overwhelming local leadership and creating local requirements that stifle local initiative as much as they offer new opportunities. The land reform program in Vietnam posed goals that clearly exceeded ministerial capabilities in 1955-61. In many respects, Village AID and more recently Basic Democracies have placed so many tasks on village leadership in Pakistan that effective execution of any single task was difficult, and bureaucratic control may even have increased under the guise of decentralization. Hence, the decentralization process requires a dedicated and continually changing balance between ministerial readiness and local capabilities.

The mere existence of legal sub-divisions in a state, e.g. municipalities, provinces, parishes, is often insufficient reason to assume developmental viability of the local unit. For example, projects in public works and aimed at agricultural productivity assume not only a degree of logistical competence on the part of the central government, but also suggest in many cases that the legally defined local unit is unwieldy or inappropriate. An overenthusiastic ministry may create local units designed to its needs and limited by its present capacity, while other branches of government establish entirely different geographical and ethnic boundaries, sometimes in competition with other ministries. Moreover, different priorities for the development of local government units are often established by different ministries. It is not uncommon for ministries of education to focus on intermediate urban centers while ministries of agriculture press for improved agricultural education in more remote and isolated locations. To the extent that decentralization is the product of ministerial competition and uncoordinated extension of governmental services to local units, the likelihood of confusing and inhibiting local participation is enhanced or, at least, the cumulative emergence of viable local units is made more difficult.

A decision to decentralize administration in national ministries requires an affirmative answer to most of the following questions:

1. Does the process of decentralization strengthen local units in a form that is compatible with longer term goals of national and local development? Yugoslavia is a good example of a country that devised a well-conceived and ambitious program of decentralization with the dual purpose of subduing ethnic, religious and regional rivalries while also feeding into a national development effort. Started in 1951, the decentralization process was phased into the establishment of increasingly effective local institutions, both urban and rural. The process was not completed until 1963, when autonomous rural and urban communes were legally established in the new Yugoslave constitution. Less well conceived and fragmented examples might be the effort to reform land tax collection in Vietnam or the local associations to collect irrigation revenues in the Philippines.
2. Does the proposed change increase the capabilities of local government and encourage local participation? Nearly every government in the Third World is skilled in creating a facade of decentralization and under pressure of aid givers quite prepared to endorse projects which they know vastly exceed the existing capacity of local units. In fact, such programs can serve the interests of a government that wishes to increasingly centralize control. For example, in Korea in the late 50's locally elected councils became the vehicle for Syngman Rhee's dominant Liberal Party to extend its power. In the absence of competing parties or developed local interests, the councils never promoted any meaningful form of political participation nor did they contribute to economic development. Tanzania is another case where well-intentioned efforts to decentralize exceeded by far the readiness of the local units to respond. The result was a hastily implemented program of self-help that produced a rash of poorly conceived and badly coordinated local projects before the government was ready to provide an overall framework and key contributions. Roads were built in disconnected segments and without bridges; schools sprang up in poor locations and without teachers; agricultural improvements were attempted under the most unfavorable conditions and failed. The subsequent program of Villagization was conceptually more refined in its realization than some viable regional centers were needed, but the government once again underestimated the problems of moving tribal populations, building new towns and creating harmonious communities from scattered hamlets.
3. Do the local subdivisions promise to increase local skills in the administration of assistance and a readiness to assume more functions as initial successes are achieved? Decentralization on a "one shot" basis does not necessarily put into action a process of dispersion of powers and functions that will stimulate local activity and affect overall productivity. Some efforts at decentralization are wholly cynical. For example, Obote of Uganda first used constitutional promises of decentralization

to gain Buganda as an ally via the Democratic Party in order to come to power. Once in power, Obote felt insecure and threatened by Buganda, finally demolishing the relationship when he felt himself strong enough to do so. A more rewarding effort was the Barrio Charter Law of 1959 in the Philippines. The parties certainly saw the barrio scheme as a new vehicle for political privilege and patronage, but the program was accomplished by effective efforts to strengthen local government. Though the barrios feel the vicissitudes of party politics and must still deal with heavy-handed ministries, the new program reached all parts of the country, was attached to an existing infrastructure for local government, and was accompanied by a massive effort to train elected barrio council members. Over 200,000 barrio leaders have had short training sessions. While the scheme has been increasingly politicized, it has firmly established the local unit in relation to national politics and given an identity within the political system that will not be easily undone by central government. Although naturally and probably correctly assimilating qualities of national political life, the barrios can now make demands on government and are recognized as a meaningful unit for political action.

4. Does the program to decentralize envisage a continuing build-up of local activity and authority that will neither stifle local action in early phases or inhibit local initiative after initial successes? Perhaps the most difficult aspect of decentralization to reflect in both AID programs and to communicate to host governments is the need to reassess continually the progress and expansion of localized activities. In some instances, such as Pakistan's Basic Democracies, so many functions may be imposed on a fragile and only partially understood local framework, that the local leadership is confused and even more dependent on administrative control and direction than under the earlier more arbitrary and less ambitious local programs. The Basic Democrat, for example, is supposed to be part of indirect system for electing the President, is to have a role in the local level planning and development, and is to begin a system of local courts to handle minor disputes. A similar example might be the ambitious plans for agricultural cooperatives in Tunisia. The coops were to be part of vast network of supporting cooperatives in marketing, credit, machinery repair, etc., that were implemented from provincial and central levels by different ministries and with different priorities while the local cooperative bodies took shape. The result was dispersion of effort that left little time to prepare the lowest units, the production cooperatives themselves. They in turn tended to become essentially a vehicle for paid laborers working under arbitrary conditions not unlike the colon farms from which they came. Sophisticated in design and ambitious in scope, the local unit has failed to emerge as an effective and meaningful actor in a vast cooperative program.

Few governments in developing countries are able to make the objective assessment of how functions will be dispersed over time that seems essential to balanced decentralization. In some cases, AID administrators themselves may have contributed to this tendency by favoring the more accessible central ministry as their own point of contact and by preoccupation with the understandable problem of first finding good contacts in the host government. By their nature some functions are heavily central, e.g. national defense, communications, etc., need to be part of an overall plan. Some functions, such as tax collection, postal services, public works construction, etc., can shade increasingly into local dependence as the level of development rises. As one becomes involved in governmental activities of a distinctly nation-building quality, e.g. primary education, local technical assistance, marketing, etc., it becomes clearer that little sustained activity can take place without involvement at the local level. The implication of these observations is that the decentralization problem is one that should be tailored to both existing legal forms and practices in the host country; the potential for development and national planning; and the need to depend increasingly on knowledgeable and sustained local support if more complex forms of change are to take place.

### III. U.S. Activities to Promote Locally Organized Institutions

#### a. Rationale and Instruments

Encouraging governments to be receptive to and to promote participation in development, as discussed in section 1, is one part of the dimension of Title IX. But governments respond in most cases to demand for more participation from the citizens. Such demand creates a more dynamic and usually more constructive framework for development. It also inhibits the government from simply extending traditional paternalistic patterns of control over populations in pursuing development programs when political and economic modernization demands a different relationship. Demand often exists in developing countries, fostered by education, mass media, and political elites who organize citizens for action. Yet in many of these cases, the techniques and means of participation are weak leading to frustration or simply unfulfilled potential. In other cases, even the demand is missing leaving governments without much stimulus to development or creating a gap in communications between the modernizing elite and the bulk of the population. Not all countries need to have demand stimulated more than at present or channeled in the same ways as ours or other countries. But where it does not exist at all, or where it is frustrated, development programs are likely to be less effective.

Several instruments have long been featured in AID programs which have been designed primarily to increase local participation and the demand for participation in the development process -- participation in the decision-making and implementation of development particularly, but at least indirectly also in the benefits. These instruments are community development programs, cooperatives (for production, marketing, electrification, etc.), credit unions, and private local associations (e.g. 4-H clubs). AID has also sought to promote participation through improving the effectiveness and responsiveness of local units of government, i.e., provincial, municipal, village, and town, etc. These instruments create demand for participation, while those in section 1 -- to use the economic analogy -- address themselves to the "supply," i.e., to the provision of institutions and opportunities for participation. This is not a hard and fast distinction, because locally organized institutions also supply some of the means for participation (e.g., a coop). But essentially, these local institutions create new demands upon the political and administrative system. Understanding the nature of these demands, and their likely repercussions upon the political and administrative systems of the country, will help in making these instruments more effective, particularly as they move from simple demands (e.g., a well, a school) to more complex ones (e.g., control of a share of tax resources). This is discussed in section 1.1 below. Similarly, the relationship of these locally generated demands to national development goals and priorities is important to have in mind as these institutions develop, this is discussed in section c.

Most of AID's experience with these instruments has been in rural areas. Yet the pace of urbanization in countries of Latin America and elsewhere suggests that their usefulness and adaptation for the urban areas needs to be explored, or alternative means of participation of the urban population need to be found. In the rural areas also, new instruments may need to be explored where coops, credit unions or community development programs -- as we know them -- may not fit the local situation or keep up with the pace of modernization and control being pursued by the central government. It is perhaps most of all in the interaction of the locally organized institutions and the modernizing (or alternatively, regressive) activities of the government that more research, understanding and work needs to be done. In section d, below, some considerations on support to local government institutions are raised with this problem in mind. In section e, some special consideration for urban areas are discussed.

b. Local Participation Instruments and the Political-Administrative Structure

Localized assistance cannot be fully assessed without some framework for judging conflict and opportunity in the political system. In some countries one finds only a fragile, singular hierarchy which is barely able to sustain the government's legitimacy. Localized demands can quickly become a major threat and any power base outside government is tempted to topple the entire regime. Indonesia existed on this basis for many years and Sukarno's failure was in many respects his inability to create new hierarchies in the society relevant to national goals.

In the next stage of advancement a dual hierarchy emerges, most often around a differentiation of political or policy-making figures and of the administrative machinery. Most developing countries have reached this stage, but where they have not there is a need to encourage the pristine form of political differentiation that provides alternative channels to power and permits some crude forms of competition for power. Quite possibly a symbiotic relationship may emerge at this point, for example, Pakistan between military and civil service or India between Congress Party elite and civil service, that makes further sharing of power difficult and restricts the range of opportunities for localized activities to relate to the power structure. The dual hierarchy is essential to creating a degree of specialization in national government, but can become an obstacle to localized growth and the development of competing hierarchies throughout the society where the duality is easily merged back into a single hierarchy.

In more advanced stages of development, where institutionalization has made important advances to define the political and administrative framework of government, the possibility arises of encouraging task-oriented or competing hierarchies. Such hierarchies provide reinforcement for a government and increase specialization in the political process, as well as in other economic and social endeavors. Several countries where AID has been judged successful, such as Korea, Taiwan and Tunisia, have entered into a

stage of development where such specialization is being accepted and promoted and where therefore projects which promote participation are more readily acceptable and the dispersion of power is less often viewed with suspicion.

Any given form of localized assistance must be evaluated and implemented in the light of a political estimate something like the above. The various AID instruments normally used in this area, e.g., community development and coops, thus create different kinds of demands that affect the power structure. Simple demands, such as for a new bridge or well, create demands upon the existing hierarchy but do not essentially change it. More complex demands, however, such as a share of control over resources going into projects or even more advanced, a measure of autonomous control over tax sources, do in fact begin to create differentiation and specialization in the hierarchies.

Almost all of these instruments, when initiated by AID, have the implied goal of moving from single to complex tasks, from refining the single hierarchical structure (where it exists) to one more diverse. One of the cases in which the most success has been achieved in community development is in the Philippines. There the barrrios have moved from single demands upon the central government to a degree of genuine autonomy and have developed linkages into the political (political party involvement, national and local elections) and administrative structure at several levels. The program has as a result served to strengthen the link between national government and local demands and quite likely the whole electoral process in the Philippines.

Yet we know that in practice the aims of AID efforts in this area are often frustrated. Sometimes this is because of cultural factors, e.g., the lack of receptivity to the idea of a cooperative for profit in rural Indonesia. But often it is because the demands of these institutions meet resistance on the part of the existing power structure. In Thailand, community development programs were first absorbed by the Ministry of Interior (the single hierarchy) and later overrun by counter-insurgency programs which substituted largesse for local control, invigorated central administration for local participation. In Korea, they were absorbed by the extension service, and coops -- while developing some independent financial sources and a reasonable degree of mixed (government-membership) control -- are still used to carry out government policies that are sometimes unpopular if productive (e.g., fertilizer control) and are not yet allowed to be an independent source of power for their members. These examples point up the fact that efforts to promote local participation can be expected to meet some resistance from the existing power structure. By posing a "threat" to it, they may actually bring about a regression in differentiation and broadened sources of power. Failure to anticipate that resistance often leads to institutions whose original purposes have been diverted or distorted or simply stalled.

On the other hand, when the local institutions fail to generate demands upon the system which it might accept, the potential for differentiation is lost and the dynamism in the system atrophies. This also is evident in some AID programs. Coops which continue to demand large government subsidies when they might develop private credit resources contribute to the narrowness of the system. Community development programs which never go beyond a steady demand for physical structures paid for largely by central government (or U.S.) funds do little to broaden the power base or develop differentiation of function. Government in turn is not stimulated to give more free reign and authority to private institutions or to modify its pattern of control.

AID programs in this area, therefore, should proceed from an analysis of the power structure, the points of resistance to greater differentiation of the structure, the nature of demands that can be put upon the system and the ways in which the resistance may be overcome. On this last point, some comments are made in section d below. In general AID must be aware of the linkages of these institutions into the political process. AID in general, tries to maintain these programs free from political involvement often by insisting on at most a link into the system for these institutions, i.e. to the bureaucracy. Yet if the real objective is to provide through these instruments more access for citizens to the political process, then linkage to party politics, national associations and other non-administrative sources of power may represent the signs of real success for these institutions. These linkages in turn become important in selecting the types of organization and nature of demands which these instruments will advocate.

The following charts, one for community development, one for coops, show some of the linkages which these institutions can have into the power structure through the way they operate. They provide the beginnings of a check-list which can be used (a) to measure the degree of differentiation represented by the demands of these instruments and (b) to suggest "next steps" with these instruments which can be taken to help move the power structure toward being more diverse and permitting of more access to power and participation with regard to national development.

CHART I

Evolving Political Linkage of Community  
 Development with Hierarchical Structures

<u>Types of Demands</u>	<u>Hierarchical Structures</u>		
	Simple	Dual	Competing
Financing of Activities	Direct Subsidy	Direct Loan	Financing Powers of its own
Management	Government Personnel	Special Service	Autonomous Educational Process
Leadership and Control	Appointed Village Committees	Local Leadership Training	Regional or Provincial Representation
Program Selection	Pre-selected Village Needs*	Bargaining to Identify Needs	Self-defined Needs
Link with Government	Direct Link to Power Structure**	Access to Political and Admin, in Local Units	Access to Political and Admin. in Higher Units
Expertise	Government Technical Assistance	Choice of Public or Private Technology	Find own Technical Inputs

\* "Felt needs" may be self-defeating.

\*\* Avoided in C.D. tradition, thereby neutralizing political impact from initiation.

CHART II

Agricultural Production Coops

<u>Types of Demands</u>	<u>Hierarchical Structures</u>		
	Single	Dual	Competing
Structure of Rural Sector	Gov't Subsidize Entire Modern Agricul. Sector	General Gov't Support Coop and Private Farms	Viable Private Farm Units and Coop Units
Management	Gov't Aptd. Director	Jointly Aptd. Director	Director Elected from Members
Financial Control	Accounts Part of Ministry Budget	Separate Coop Accounts with Gov't Supervision	Establish own Credit and Finances Private Accounts
Financial Control	Profits and Reserves under Gov't Control	Profits and Reserves under Joint Control	Self-regulated Financial Management
Financial Control	No Coop Investment in Other Sectors and Enterprises	Coop Given Limited Investment Rights	Coop Given Legal Investment Rights
Leadership and Policy Control	Members Virtually Paid Laborers	Members Voice in Management Defined	Management Fully under Membership Control
Operations	Coop Meeting with Direct Gov't Supervision	Coop Meeting Indirectly Linked to Gov't	Coop Meeting for Elected Officials and Members Only
Operations	Coop Proceedings and Minutes Filed with Gov't	Gov't Access to Inspect and Review Proceedings	Records under Legal Protection
Operations	Member Paid by Gov't Formula; No Wage Bargaining	Wage Incentives; Respond to Members' Skills	Diverse and Competitive Wage Structure

CHART II (cont.)

<u>Types of Demands</u>	<u>Hierarchical Structures</u>		
	Single	Dual	Competing
Expertise	Gov't Determines Technical and Service Inputs	Coop Bargains for Tech. and Service Inputs	Inputs Fully Independent from Gov't
Functional Autonomy	All Farm Prices Set by Gov't	Coop Chooses between Private and Gov't Price	Self-regulating Price Structure
Functional Autonomy	Crops Determined by Gov't	Crops Partially Selected by Coop	Production Wholly Self-managed
Functional Autonomy	No Control over Technical and Extension Agents	Coop Voice in Evaluation of Technical Advisors	Hire and Fire Technical Advisors

c. Local Participation and Development Priorities

Participation is both a means and an end. It is a means to greater control over one's environment and to improvements in one's living conditions. It is an end in that it provides the dignity and psychic satisfaction of having a share in the control of one's environment and the structure of power. There are in each country different degrees and types of participation which will satisfy both these conditions. In countries where no share in power has taken place, a small degree of participation can have psychic satisfaction while providing a modest, but under the circumstances, maximum amount of improvement in one's environment (e.g., Nepal), but we must be careful to distinguish between the form and the substance of participation. Where the most critical issues are national, not local--e.g., land reform, allocation of national resources--small amounts of local participation may not provide meaningful

participation in either sense, i.e., as a means or an end. It can be looked upon by the power structure as a means of diverting pressures for greater participation into relatively low priority areas. Or local participation and even autonomy may simply be insufficient to affect national issues. The Philippines may be a classic case in this regard. The community development program has provided the barrio many linkages into the power structure and has likely prevented a greater distance being created between the ruling classes and the bulk of the population. Still, however, it has not been able to bring about a shift of national resources into the lagging agricultural sector, exert much influence on the major question of land reform, or seriously check the growing inequality in distribution of income. Thus this degree of local participation and even control of local resources has not affected the power structure as a whole and has bypassed some of the issues which affect the bulk of the population. This is not to fault the community development program, but to point up the fact that without attention being given to national priorities, programs of local participation may lead in the long run to renewed frustration and fail in themselves to overcome a sense of alienation at the local level. If land reform should become a major issue for rural inhabitants in the Philippines, even the barrio program there may come to appear as more form than substance.

A related problem arises when the demands for participation are created but there is no direction of these demands and of local participation toward programs which really achieve development, i.e., a real degree of new control over the environment. Programs which simply emphasize filling immediate "felt needs" over long periods of time are subject to this criticism. They place heavy and often excessive demands upon the central government, or in many cases upon the U.S. In Laos, for example, community development efforts have gone on for years independent of (in the absence of) any national development effort. This has resulted in a continuing drain on U.S. resources to provide the cement, bridges, pumps and other materials for the local projects without lasting changes being accomplished in the villages themselves. This type of participation without development may create more rather than less frustration in the long run. Local areas, without the technical and capital inputs needed to change production practices and marketing and to open up new vistas for development, cannot change their real prospects for the future even if they control a pipeline of "goodies." The "goodies" themselves may become a symbol of their frustration. Both the community development and the later counter-insurgency programs in Thailand suffered from this drawback until recognition was given to it this year.

Cooperatives and credit unions, though geared more to concrete changes in the income and development patterns of the membership, can make the same errors. Cooperatives may lobby for subsidies and market protection that deter rather than add to national development opportunities. Rural electrification coops may draw off scarce managerial and financial resources from higher priority production needs.

The point of this discussion is that local participation projects which are unrelated to changes in national policy emphases or national development efforts may produce a politically as well as economically meaningless form of participation. They may divert the population, the host government, and the Mission from higher priority concerns which will later overshadow the degree of participation achieved. These instruments therefore are most effective when they are introduced in relation, and linked to a fairly clear set of national priorities and developmental efforts. In that way they add to national development. The link in each country depends on the nature of the situation. In Nepal, they may serve as a prelude to development, laying the base for a more effective participation in development at a later time. In other countries, they may become a useful adjunct to centrally directed developmental efforts. In Korea, for example, community development villages were found to be more receptive to change and were able and willing to take more advantage of the technical and capital inputs coming from the central government. (But it was the central government, after many years of neglect, which finally organized and made available these technical inputs for the villages to put to work.) They can serve as lobbies to bring about reallocation of resources when certain areas are not sharing in the benefits of growth, e.g., rural electrification cooperatives.

In sum, instruments promoting locally organized institutions are important facets of the development process, both political and economic. But they are not the whole process. They can make demands upon the system, but if those demands do not lead to real improvement in the memberships' long term prospects, they may not produce satisfaction. They can develop links between national government and the outlying population. But if the national government uses these links as a diversion from attention to critical national weaknesses or inequities, then they become a substitute for change instead of an instrument for it. AID missions have the task of analyzing country situations, pinpointing the obstacles to development, the role that locally organized institutions can play to overcome these obstacles, and the other nationally focussed efforts that are needed to make any local programs really meaningful and effective. To proceed with the instruments for local participation

without making those determinations is to run the risk of overstating their significance (e.g., measuring progress by the number of local council meetings, or the number of wells constructed) or perhaps worse underutilizing their potential to affect the other facets of development, e.g., placing a higher priority on meeting a steady stream of unrelated material demands than on using these instruments to achieve a greater allocation of investment resources and new economic opportunities to the rural sector to lobby for better technical services, or to develop a tenant farmer voice in national affairs.

d. Local governmental units as a focus for expanding participation.

AID has focussed a relatively small portion of attention on local units of government. This is not hard to understand. Most development policies and programs proceed from central government ministries. Many countries being assisted, moreover, have serious problems of national integration which improved central government effectiveness could help to overcome. A third reason is that assistance to local government units could be a gigantic task in terms of human and perhaps capital resources: it would seem much more efficient and feasible to develop in-country competence for training and otherwise improving local government personnel by concentrating on the competence of central government ministries and the development of in-country education and training institutions, both of which would spread out in their effects to the local level. We know, for example, in Thailand that recent crash efforts to upgrade provincial governments have involved very sizeable capital and technical inputs that would likely be unavailable where security considerations are not present.

Yet the contrast between AID efforts at community organization--community development, coops, etc.--and the limited attention to local units of government is harder to explain. It would seem that, apart from the traditional emphasis on decentralization in AID philosophy, local units of government have not been considered prime targets for increasing participation. Two considerations should alter this opinion: (1) the rapid urbanization process which makes urban units of government key elements in providing for participation in all three senses of the word, and (2) the important relationship between community participation projects and political-administrative structures discussed in section b. above.

One difficult question is what units of government should be supported for what purpose. Is a village a viable unit for agricultural development emphasis, tax resource control, education? There are obvious conflicts between desiring to promote the most locally oriented base of participation, e.g., in community development programs, and the need to develop viable administrative and developmental units. AID program instruments are actually helpful in this regard. For they are usually geared to functional considerations and can help develop analysis of local government needs on some kind of objective criteria. Thus perhaps the most effective AID instruments for assisting local governmental units are the economic planning and policy advisory programs, development loans, and P.L. 480, rather than the supplying of public administration advisors to each local unit of government or developing capital projects "on the local level." AID efforts would thus include encouraging national planning units to involve local government officials in the planning process, urging that sectoral plans and projects involve a high degree of decentralized administration, adjusting service on national tax policy and administration, building managerial concepts of decentralized authority into developmental programs in agriculture, industry, etc. For example, in Korea, in implementing the Second Five Year Plan, regional planning and analysis was encouraged for answering questions of siting, priorities, inter-industry effects, etc. This brought local government units, urban planning bodies and other elements of the society into direct contact with national planning whereas before local and national planning had been largely unrelated. One result was to sensitize the national planning body to local considerations; another was to raise the perspective of local officials.

Development loans and P.L. 480 programs are other instruments which can be used to help develop and nationalize allocation of administrative and financial authority. Waterworks, sewage projects and similar municipal projects can be used to help develop municipal taxing and administrative powers. In encouraging decentralized administration of AID programs AID faces a difficult operational problem. Local units of government are often less efficient, sometimes more corrupt, usually less scrupulous in keeping records than national ministries. AID can ill afford gross misuses of resources. Therefore, to "put its money where its mouth is," i.e., to support decentralization of authority where its own projects are concerned, may require a higher degree of risk--one which may be justified by the importance of the goal, but which AID cannot undertake lightly. On the other hand, program loans in place of project loans, P.L. 480 Title I with sales proceeds used for development in place of Food-for-Work, and other means are available whereby AID can consciously take the required "centralization" out of its own

programs, where support for local units of government (and the private sector) is desirable.

There is a distinction of course between devolution of authority to a legal personality and decentralization of function from the center. AID's role has been limited in the former case, because the decision to establish locally elected bodies in place of appointed local officials, or even how to organize administrative units of the country, is one related to highly sensitive, internal political considerations on which AID's advice is rarely invited. The instruments mentioned in the previous paragraph would apply to both situations. But they could have different effects. Improving the effectiveness and responsiveness of decentralized units of the central government apparatus may improve participation in several ways but may also reenforce the single hierarchy, a degree of paternalism, and the resistance to local autonomy. This may not be a bad objective, since it could be one form of participation with which both rulers and ruled are most comfortable, i.e., within a fairly paternalistic, centralized system of government. We should not think, however, that this leads automatically to autonomy.

The kind of assistance to be given to local units of government thus depends on the nature of local participation which is being encouraged or is desired. Where AID or the host country is assisting in community action programs, assistance to local government might be phased in to help overcome resistance to demands created by local community projects. There is danger that AID might assist in domination of the community programs by the local government apparatus. But with some care exercised, AID can assist in creating a more dynamic situation between community demands and governmental response, at the local as well as the national level. For example, a careful review of tax resources and budget requirements in a province may lead to recommendations for more autonomous control of certain tax resources for the provincial governor, assignment of certain goals to the private sector (commercial credit and investment powers to the coops) and new and different tax sources for the national government, i.e., encouragement of greater specialization and differentiation of function in ways that help overcome resistance to new forms of local participation.

**e. Urban Areas: Special Considerations**

AID has recently issued guidelines calling attention to the need to develop instruments for helping countries meet and solve the problems that arise with urbanization. These guidelines, however, refer primarily to technical assistance in housing finance and urban planning; better coordination of urban, regional and national planning; and in some cases investment guaranties and loans for housing. They have been related only indirectly to the issue of participation. Obviously, such programs can be shaped to improve participation, e.g., savings and loan associations and housing cooperatives enlarge opportunities for citizens to engage in housing programs, urban planning can be carried out in a manner that will solicit views and actions by private groups, etc.

Less consideration has been given, however, to developing community action programs within cities. Such programs are not directly transferable from the rural areas to cities for a number of reasons. The appropriate units of organization are more difficult to determine (e.g., what is comparable to the village in community development: a district, a ward, a block?). PL 480 Food for Work programs are less relevant, for cities are in the monetized sector of the economy and likelihood (necessity) of diversion is thus greatly increased. Surplus property, on the other hand, is probably more relevant and immediately useful in urban programs and easier to check on. But perhaps most important in the Title IX context is that the considerations discussed in section b. above, i.e., the relationship of such activities to the political-administrative structure, apply with even greater force. The cities have a higher level of (and usually more extensive) education, more mass media, and greater interaction between government and any "local" project (i.e., any action program on housing, sewage, schools, health or other things meaningful for urban citizens will touch almost immediately with government offices and programs related to those areas--not necessarily so in building a well or community center in a village). For these reasons, cities are often more politically volatile, and, consequently, citizen organization and action within a city is likely to have very early repercussions upon the system. We know, for example, from the experience of OEO programs in American cities that the reaction of city administrations to such programs has been often adverse or at least sticky. The urge to "control" such projects by the existing elite in other countries will be no less prevalent. Finally, urban political activity is often deemed more risky to the national political structure than rural activity, i.e., large-scale urban unrest can sharply divide the political structure, create instability and perhaps touch off revolt.

While these considerations add to the sensitivity and risks of such instruments, they also add to their potential. Because they are deemed so politically important, they lend themselves to involving activists in constructive vehicles for change (as in the Dominican Republic). They can become the vehicle for constructive political action for private associations (e.g., labor unions involved in housing). In other words, whereas community development work in villages may be a long, slow process of awakening people to a sense of initiative and control over their environment, the populations of cities may be more amenable to such involvement, more capable of quick action, and more able to translate the effects into new forms of political participation.

In developing greater use of these instruments, another consideration is important. Recent disturbances and new forms of discussion have made the U.S. more aware of its own urban problems. One reaction to this might be to withdraw from offering assistance to other countries in an area in which the U.S. must do so much rethinking. But a more dynamic and useful response would be to embark upon assistance programs in the context of a more equal interchange of U.S. and host country ideas on how to solve urban problems. For example, there might well be seminars bringing together community development leaders in the American ghettos with counterparts in other countries, city administrators or urban scholars with their counterparts. Already the "reverse Peace Corps" idea has been introduced into U.S. cities. It is rare that the U.S. can, in the aid program, undertake efforts on the basis of a mutual search for solutions to common problems. The opportunity--fraught with problems and sensitivities at first glance--should not be quickly rejected. A frank recognition of our own problems will only raise our prestige abroad, the use of people involved in all aspects of our own urban development will only enhance our (and other peoples') understanding of urban problems, and our ability to transmit, and receive, skills will be likely enhanced rather than diminished.

In terms of aid to decentralized units of government, discussed in section c. above, the cities may provide a natural and viable unit on which to concentrate attention. Our own experience has taught us that cities in time demand a measure of community participation and control, and a degree of autonomy to adjust to the problems of change. They are large enough and economically integrated enough to justify degrees of financial autonomy. In Turkey, the municipal governments comprise one of the key areas in which government and citizen interaction takes place, and in many ways a more fruitful vehicle for encouraging

flexibility and responsiveness on the part of the central government than programs of assistance directed to the center (paper by Thorsen). Cities are, finally, sufficiently limited and focussed to avoid scatteration of AID efforts in local government. The cities, in sum, may be the best place to develop coordinated programs of community action and local government effectiveness leading to a more diversified and satisfying power structure.

Other programs in development administration--e.g., in education, public works, industry--discussed in section 1. below, must also take account of the special needs and special conditions of the cities.

IV. U.S. Influence on Economic Policy & Planning

Some of AID's most effective work in recent years has been done in countries where it was influential in making economic policy and in planning. The key to this success has been sufficient AID resources, and host country agreement on what should be done. Instruments in this area include technical assistance -- in such areas as planning, taxation, monetary and fiscal policy, development of financial institutions, pricing policies, and the use of credit, savings, and investment policies -- and capital assistance for sector development, balance of payments support, and the development of banking institutions. These instruments are geared to promoting economic growth and to assisting in institutional development.

In a disturbing number of cases, however, rapid growth has not increased participation enough to overcome the sense of alienation of large parts of the population from the established political structure. Such results may occur because of factors unrelated to economic conditions, such as ethnic disputes (as Malaysia); but it may also arise from economic inequalities associated with growth (as in the Philippines) or failure of certain groups from participating in the major developmental policy decisions and benefits (as in Thailand). This lack of participation acts as a drag on further economic growth; national integration and the development of democratic institutions, and thus constitutes a threat to national stability, at least in the future, if not now.

On the positive side, economic growth and development can be used to enhance participation and to broaden the base of political participation. They can do this in three general ways: (1) they frequently bring an increasing proportion of the population into the money economy and the marketplace, opening them up to the force of money incentives: with this is laid a new and personal motive for taking an interest in the effective operation of the economy and in a wide range of political decisions which affect them. (2) they can provide a source of legitimacy and popular consensus in countries moving to increase participation but needing the means to respond positively and effectively to the rising level of demands inherent in such participation, and (3) they can provide the means to increase participation by providing opportunities and incentives for people and government to cooperate and participate together in the development and distribution of economic gains. These three are not always coincidental. Policies are often recommended for improving economic effectiveness, e.g., stabilization, which have little to do with participation and may -- at least in the short run -- work against it. This conflict is what makes the use of these instruments so controversial in relation to Title IX, if their use is not guided by concern for their non-economic effects.

*good says no - lack of fiscal stability causes great disparities in income, political instability, etc.*

*Deflation appropriate in countries like T.I.*

One other point needs to be mentioned here, viz., that economic development is the field in which the U.S. normally has the most entree, the field in which there is the greatest immediate mutuality of interest. This means that these instruments may be the most important ones available for achieving Title IX objectives in host countries.

To assess the use of these instruments, and to resolve some of the potential conflicts between better economic policies and wider participation we need to look at countries in terms of their development position (degree of economic "modernization"), their degree of participation and their capacity to govern. In some countries, eg, India, the accent on participation may be already so great that concentrated economic development efforts -- whatever promotes growth most effectively -- may be the most important contribution the U.S. can make, for growth in these cases is likely to be distributed widely and involve considerable participation. In other countries, economic programs may be meeting the requirements of the country in macro-economic terms, e.g., Brazil in stabilizing prices and supporting the modernizing sectors, but in little or no way promoting participation in any of the three senses of the word. In these cases economic instruments need to stress in their approach and implementation the broadening of participation. There may be other cases where the capacity to govern has priority over further development efforts or increased opportunities for popular participation, e.g., the Congo.

But these are easily stated generalities. What AID has not done very much -- nor have the academic economists and political scientists -- is to study (1) the means by which economic modernization and greater participation can be maximized together in the early stages of modernization and resource mobilization; (2) how to judge when development has priority and when participation, i.e., when the demands upon the system outrun a country's ability to respond or alternatively when the lack of ability to develop is slowing the incentives and opportunities to participate, or finally (perhaps Liberia is a prime example) where lack of participation precludes the likelihood of a nationwide development effort, and (3) the ways in which a fairly authoritarian mobilization system (in Apter's sense) can be encouraged to move more rapidly into a system with greater democracy and participation.

Experience suggests that there is more than one way to develop a country economically, and that a rapprochement between economic and political development goals is not infeasible. One direction has been suggested in the change that has taken place in the outlook of economists over the last decade on the most appropriate means for mobilizing resources and initiating industrialization and the commercialization of agriculture. Earlier emphasis on centralized planning, public savings, and bureaucratic efficiency is giving way to recognition of market incentives, private savings and decentralized control (Korea, Pakistan) and the most effective instruments for economic development as well as ones having greater positive political effect.

Looking at the specific instruments, we can see that the various areas of specialized economic concern can be directed in ways to maximize participation, sometimes in the shortrun and very often in the longrun if this dimension is built into these instruments at an early stage.

1. Economic Planning: In the small number of countries where the U.S. is providing substantial aid, U.S. advice on economic policy and planning is often crucial. There are a number of other countries in which U.S. advice is also sought, both on the techniques of planning and the content, though our small resource input often means that a number of favored policy courses are foreclosed as infeasible. The fact that our advice is sought and taken into consideration does not, of course, always mean that it is followed, since planning decisions must inevitably be political. But the fact that we are heard at the very least means that many ideas are introduced into the planning process that would otherwise have been lost and that our preferences, affect the final decisions.

The planning process, into which our concerns are introduced, can thus be the arena in which Title IX considerations are first raised with a host country, from which they can illuminate a wide variety of government decisions and make the climate more favorable for such considerations to be given appropriate weight.

Equally important, the planning process, whether it involves policy questions alone or becomes formalized in sector or government investment or national plans; and whether it be diffused through all levels of government or formalized in a planning document, provides an opportunity to agree on a strategy or design for development, with all that this implies for goals, priorities, and choice among alternative courses. Such a strategy offers an opportunity to consider the wide range of objectives that exist in the real world, to weight explicitly the byproduct effects of, for example, alternative growth policies on the subsistence sector, and to try to make an optimum choice.

Title IX aspects of specific economic policies are discussed below. It is important to recognize, however, that planning itself has a Title IX aspect. In many countries plans for monetary and fiscal policy are made at the top and simply announced. While many of the issues involve technical economics, simple promulgation misses an opportunity

to carry on a public discussion of objectives and alternative methods. Where planning concerns the expenditure of public funds and the preparation of projects, the planning process can be broadened to include meaningful participation by operating as well as planning officials and local as well as central government people. This is the way the Northeast Development Plan in Thailand is to be carried out. The planning assistance we provide should include people who understand social sectors as well as macro-economists. By engaging local institutions in the planning process through project design for projects in the locality and discussions of sector priorities the planning process will increase participation while making the plans more realistic and relevant to people requirements.

Politicians have frequently failed to recognize the vote appeal of local participation in project design. The elaborate Red Book procedure used in Malaysia is at once good administration, sound participation, and practical politics.

2. Tax, fiscal, and monetary policies: Together, tax, fiscal, and monetary policies constitute the major influence on growth. A combination of policies determines whether growth is fast or slow, and a bad mix can result in no growth at all. But if growth benefits only those who already receive a disproportionate share of the national income, continued growth is doubtful in cases where the modern sector is small and national stability and integration is subject to challenge in all. Hence in the developing countries, which commonly have a large traditional agriculture sector growth policies will need to consider not only the rate of development, but also the speed with which the subsistence economy is being reduced as its members are first increasingly drawn into the market economy, either as wage earners or small proprietors and secondly given opportunities and encouraged to participate in the growing fruits of development through investment of their savings and improvement of their skills.

Economists often argue over whether the rate of growth is not too high, bringing with it excessive and damaging inflation. The argument usually fails to take account of who is hurt by the inflation, and who by the lower rate of growth. No general rule can be adduced to answer these questions, so that they must be examined in the light of each country situation. But some experience (Vietnam) suggests that a higher rate of growth than is normally thought acceptable in light of the resulting inflation is the only way that the subsistence sector can be affected in a short time. At the same time, the urban poor seem generally to have been able to keep up with the cost of living, though not without complaining.

The foreign exchange restraint and the difficulty of adjusting exchange rates are constraints on achieving higher rates of growth in many countries. The former could be handled, if larger amounts of foreign aid were available. The latter, however, remains a creature of national political forces, although a restatement of development theory which took account of these considerations might improve the climate for more frequent devaluation or the adoption of free floating systems.

The components of monetary and fiscal policy are themselves powerful instruments, affecting both the rate of growth and the distribution of the benefits. Tax policy is perhaps the most obvious. In terms of growth, we need to be concerned about taxes for their incentive effect. For equity purposes the tax structure should not operate to prevent any groups from participating in the fruits of growth. The tax structure, however, is often largely subverted by administrative shortcomings which permit the wealthy to escape the impact of an ostensibly progressive structure. It is obvious that both administrative and structural improvements are hard to make where the wealthy have high political influence. Experience shows, however, that host governments are frequently more receptive to advice and assistance on administration and that improved administration mitigates some of the worst aspects of tax inequality. As to tax policy, perhaps the best that can be done is to encourage host governments to tax the growth increments progressively to be certain that income distribution is not worsened. In some cases, a policy which encourages private savings and investment in place of taxation and public investment may have a less adverse impact on income distribution.

Nonprogressive tax policies have their analog in unprogressive expenditure of the proceeds. Changing expenditure patterns runs into the same political problems where there are vested interests, so that improving the pattern can frequently only be done at the margin when government revenues are rising. Another compromise is to offset the regressiveness of the tax system with progressive expenditure patterns.

Analytically, tax and spending structures raise messy issues on which it is difficult to speak unequivocally unless there are more data than is commonly the case in the developing countries. Further, simple arguments which set the wealthy off against the poor or the urban dweller off against his rural cousin fail to take account of the fact that the group's membership is often shifting. Thus a policy which benefits the urban dweller may also encourage urban migration helping

those farmers who move, but not those who remain. In a growing economy, this may well be the optimum policy at least for a time. Over attention to the progression issue may divert attention from the use of fiscal policy or from taxes and spending policies as direct incentives to those groups in society which most need to be reached and brought into the growth process.

Monetary policy is handmaiden of fiscal policy. But it also determines what sector receives the flow of private savings. As with other policy dimensions, vested interests resist change in the credit system; but AID has frequent opportunities to make its influence felt. This has sometimes misfired when for example it resulted in an agricultural credit bank, which made money available at less than market rates, but was unable to supply the total demand. The loanable funds must then be rationed and too often go to the already wealthy or to the politically favored or to those willing to pay something extra under the table. For those in the subsistence sector, pricing policy is increasingly recognized as a more powerful instrument to encourage market production and costly technological change. With sufficient profits, many farmers are induced to save or are able to pay the high rates charged by money lenders.

Removing constraints on the capital market will in many cases raise interest rates charged by institutional lenders, but at the same time it should lower the rates charged elsewhere through the impact of competition. While it is an open question in most cases whether higher rates will increase savings where inflation makes the real return negative, a positive real rate should have a substantial effect. While such a reform is unlikely to help the subsistence farmer, it can be a major assist to the small farmer or urban dweller who is at the lower end of the income distribution but still producing for sale.

Price controls are frequently used for social purposes in developing countries. Generally, experience with them has been dismal. The administrative apparatus has been incapable of enforcing them, except sporadically. Too frequently they have benefited already favored groups, such as manufacturers dependent on imported raw materials. Even if enforced, they are of little or no benefit to those in the subsistence sector. Though ineffective, price controls are important politically in many countries. U.S. advice has generally gone unheeded as the case has been weak. However, where they can be shown to impede production of a major feed grain, for example, U.S. advice can make a strong case for exemption from control or increasing the control price.

3. Sector Decisions: Sectoral decisions may be made in the context of whatever overall planning is done, but in its absence, the choices will need to be illuminated by a sense of national priorities and strategies. Thus, the developing world generally needs to put a high priority on agriculture, because this is the sector where most growth can be got for a given investment, because of the world food problem, and because it contains the subsistence sector which needs to be reduced to develop a national political life.

Equally troublesome in somewhat more developed economies is the large number of people at the bottom of the income scale, who are monetized but whose energies must be tapped and whose sense of participation needs to expand if they are to be firmly integrated into the national life. While many of these will remain in the rural sector, where they can be reached by appropriate agricultural policies, the urban areas also contain large numbers of potentially alienated. Programs to reach them have frequently missed the point and concentrated instead on the physical aspects of urban life, a focus which dooms the proposals because of the costs and which moreover fails to solve the core problems of un- and underemployment. A high and sustained level of economic activity and investment in education and teaching work skills should have higher priority.

Among specific instruments AID has available to affect sector decisions are sector loans. They may permit government policy makers to examine programs and policies which must be instituted or modified to achieve meaningful progress in that sector rather than be splintered into specific individual projects which bear little or no relation to each other. Capital loans, for sectoral or other purposes, also can provide a means to cover local currency costs and thus to provide incentives for action that bypass budget restrictions. However, since covering local costs under Development Loans relieves the recipient government of covering them from tax revenue, the tax structure should be examined in each case to see whose tax burden is therefore less, i.e., what are the social and political effects. Sector loans or grants could also be used to reinforce decentralization where appropriate by providing direct support to local government entities (see section III d. above).

In the industrial and agricultural sectors, higher priority should be given to employment through the use of less capital intensive investment. Subsidies could well be given to encourage investment in rural or poorer areas, although this must be handled very carefully to avoid

considerable uneconomic investment. This is an area where imaginative research would be helpful. This could include an examination of criteria for making such decisions and the best means of influencing or subsidizing such decisions, e.g., special development loan terms, grant subsidies, etc., which could be added to AID's present criteria for grant vs. loan financing and the determination of loan terms to particular countries.

## V. U.S. Support to Host Country Voluntary Associations

### a. Instruments and rationale

Most AID projects seek to strengthen, assist, and influence governmental activity abroad. But increasingly, various components of the private sector in underdeveloped countries have become the direct beneficiaries of American aid. Commercial activities constitute the largest part of the development-oriented private sector, and substantial attention is devoted to them in the national economic policy planning and administration (see section 4). Non-commercial voluntary associations perform such a large variety of economic, social, and political functions that they deserve special attention from the aid mission.

There is a growing consciousness of the role of voluntary associations in influencing the attitudes of citizens toward change, in articulating the interests of private non-commercial groups, and in bringing large segments of the hitherto inactive population into active political participation in choosing and carrying out developmental programs. They provide in some cases the link between locally organized participation, discussed in III above, and the national arena. In order to assist these groups in these tasks, AID missions are increasingly providing participant training and travel for leaders; offering technical advice to new or modernizing associations; and supplying funds to them directly or indirectly to support selected activities.

The assumptions underlying American support to voluntary associations may not apply with equal relevance to all countries receiving American aid. In order to test the relevance of proposed support to voluntary professional and special group activities, American technicians should investigate these assumptions in each case.

### b. Problems of identifying existing groups for Title IX support.

In most countries, some voluntary associations already exist. Their original purposes may not be to serve developmental goals at all, much less to promote increased political participation. But whenever modernizing leaders begin to rise to positions of eminency in these organizations their Title IX potential rises also. And as the

organizations begin to enlarge their membership to include new elements of the population, the objectives of participation are already being served. But these assumptions need to be checked: the "modernizing" characteristics of the actual and prospective leadership of existing organizations need to be identified, along with changes in their membership characteristics.

The social role performed by existing organizations also needs to be assessed in relation to that of other organizations, new and potential. In some situations, two or three competing organizations may appeal to the same membership, and American aid may find itself in the middle of a violent internal struggle for power if the mission "Chooses up sides" prematurely. Such a situation actually developed in Viet Nam when farmers' associations sponsored by the trade union confederation began to compete successfully against those sponsored by the ministry of agriculture, to which the U.S. had already committed its support.

The leadership of traditional voluntary associations may coincide largely with that of existing elite structures in the government itself, in which case American support might tend to confirm an exclusive role for preferred individuals and thus to discourage participation instead of fostering it. This is especially true of voluntary associations originally created as "client groups" and "information channels" of various ministries.

Support to voluntary associations is not likely to achieve much in the way of political participation if the government seems reluctant to tolerate or encourage activities outside official channels.

In Taiwan prior to the activation of JCRR, for example, farmers' associations were used by the government as a means of implementing productivity goals and augmenting the activities of the Ministry of Agriculture. And some West African countries have seen the introduction of press associations which were later subjected to severe government control in order to avoid the appearance of censorship.

c. Problems in Developing New Groups.

For a variety of reasons, it may become desirable or even necessary to create new associational groups, perhaps because the existing functional equivalents are dominated by government elites or are un-receptive to changes in leadership or membership, or perhaps because there are no functional equivalents at all. Sometimes a new organization may be necessary because the old one has become a closed society: in Vietnam, for example, a fishing cooperative was established in Kamau Peninsula which served as a vehicle for further exploitation by the processors of the fishermen to whom the cooperative was intended to benefit. Again, in Korea, the Trade Union leadership is still largely selected by the government or through the government party and becomes in part a means of preventing genuine labor-stimulated trade union activity.

The establishment of new associations accomplishes little if the organization is unable to survive. In Southeast Asia, technicians have reported instances where organizations were created in order to please the American advisor, which became moribund upon the termination of his tour of duty, and thus produced no real participation. In Korea, the Asia Foundation funded various different academic groups, most of which fell apart once the initial funding was exhausted because of lack of interest and sufficiently broad membership to support a sustaining organization. Again, in Ethiopia three separate groups of paramedical workers were hostile to each others' activities and were strongly competitive. Any effort to organize them into a single association would have been resisted by all groups in spite of their apparent functional compatibility, and suggestions to create such an organization were accordingly discarded.

If the institution is unable to preserve its independence, its influence may be counterproductive. In rural Korea, for example, there are numerous supposedly private citizen organizations promoted in fact by the government, but instead of increasing participation, they decrease it by creating numerous diversionary formal structures with little functional utility.

The proposed organization ought to be conceived in local, rather than American terms. In British colonies, lawyers may have to be organized separately as solicitors and barristers whose common membership in a lawyers' association may be incompatible. Similarly, American-

supported efforts to organize teachers in French colonies tend to produce a strong resistance because of differences between French and American pedagogical theory and practice.

New groups are likely to be subjects of suspicion if they appear to be alien to local tradition or dominated by foreign purposes. In Taiwan, for example, an organization of budget specialists returning from American participant training experiences was ignored because it was considered a tool of American policy. Eventually it was able to establish independent bases for sustaining its activities, but the venture required great patience on the part of Americans concerned about the impact of the original effort.

New groups are easy to create but hard to sustain, and the effort to stimulate such activities may arouse resentment and frustration if the leadership and membership potentials are not present, if the functional opportunities are inadequate, or if the climate of acceptance is unfavorable.

d. Relationship of aid support to other aid programs.

Direct relationship to or natural extension of more economically oriented programs. Aid support for some voluntary associations may flow naturally from the economic developmental emphasis in the host country. For example, in pursuing industrialization, the involvement of chambers of commerce, private investment development corporations, business associations (e.g., metalworking industries association) and labor unions in the various phases of industrial development may represent a valuable addition to the industrialization objective while promoting new private institutions of a wider long-range significance. (It is worth noting that while some of the above have been done as part of AID's industrial programs, AID almost never works with labor unions in this context, e.g., in promoting industrial safety, especially in countries where industrialization is just beginning to be significant.) Similarly, programs in law can proceed from the need to up-grade the legal profession's ability to deal with foreign trade and investment problems, the growing legal requirements of a market economy, etc.

The advantage of this approach is that by relating to the economic development objectives of the program (for which there is presumably mutual agreement with the host country), the usefulness of such

associations can be demonstrated and the sensitivity of the host government (if it exists) to private associations can be lessened. A second advantage is that at least one function of such groups is quickly identified, toward which the group can be directed. This gives it status and meaning in the society, where it otherwise might not have had them. A third advantage is that the staff capabilities within AID for developing such organizations is likely greater than those unrelated to development (e.g., there is more AID staff knowledge of the role of private commercial organizations or commercial law than of legal aid or civil liberties groups). Finally, where private associations are weak, such direct connection with the economic development process may give them relatively uncontroversial experience, and prestige upon which they can later expand into social and political roles.

The disadvantages of this approach are:

1) It may inhibit AID from dealing with any organizations not economic development-related, even though analysis may suggest that other groups are important to Title IX objectives.

2) The chances of Government domination may be increased if such organizations proceed directly from Government-to-Government AID projects. This problem may be also aggravated if they need special Government favors to organize and serve their developmental function (e.g., a private investment corporation needing to get through government regulations, red tape, etc.).

3) Such groups may appear as "selected" U.S. instruments to receive American largesse and special advantages from the aid program, creating resentment against them and the U.S.

Activities unrelated to on-going economic development programs.  
AID may support voluntary organizations which have no relation to on-going economic exports. These may include separate, special projects for law, academic associations, labor union organizations, etc. The pros and cons of this approach can be gleaned from the discussion of the "directly related" approach above, but they might be listed here in short form.

Advantages are:

1) Unlimited selection of appropriate groups, i.e., they can be selected for assistance in light of Title IX objectives even when they do not relate to on-going economic development programs.

2) They will not be tied into unnatural frameworks imposed by the previous programs (e.g., forming academic associations which only research economic development problems, trade unions which are urged to identify with immediate Government, or private, industrialization plans).

Disadvantages are:

1) Increased likelihood of host country sensitivity and suspicion of U.S. motives.

2) Potential and follow-up AID support to this functioning may be limited and thus they might be left hanging and frustrated, e.g., lawyers may be trained by AID in constitutional and civil law but be able to receive no direct AID support in their efforts to exert influence in these fields afterwards.

3) Skills in AID for such groups may be limited, including the availability of training programs in the U.S., e.g., where AID would wish to strengthen the ability of local representatives (elected councilmen, legislators, etc.), there may be no program in the U.S. or elsewhere that could provide them relevant experience.

e. Training of leaders.

Should the leadership of such associations be trained in-country or in the U.S., or in third countries? Our normal response to assisting voluntary associations is to provide the leaders of such groups training and observation trips abroad. This may be useful if the leadership (1) does not perceive its function very usefully, (2) lacks organizational ability or professional skills, (3) lacks prestige in the country. It can be quite counter-productive, however, in that it may (1) give the leadership irrelevant and perhaps a distorted view of his function, e.g., in a country where trade union activity is closely controlled and must pick its way carefully to avoid being stopped or taken over, six months training with the AFL-CIO in the U.S. may be quite irrelevant and perhaps harmful, (2) give the leadership

exaggerated prestige which cuts it off from the rank and file, e.g., where student leaders are sent off for training or observation tours which detach them from the students and student concerns and make them part of the "establishment" as perhaps is being done in Indonesia today.

In-country training facilities, using indigenous trainees and designed to capitalize on scarce local knowledge and ability may be more effective in some cases. This would involve giving financial and perhaps technical support to such facilities. The returns, in persons reached, would likely be greater. All the problems of identification and selection (sections b and c) apply here. Yet developing on-going and potentially growing indigenous training institutions for these associations (labor unions, legislative assistants, local councilmen, etc.) may be more valuable in strengthening the growth and viability of these associations than the one-shot or hit-and-miss training abroad of particular leaders. Obviously, balance of payments problems apply here as with sending people to third countries. But balance of payments considerations should not be the excuse for establishing a poor training program in the U.S. when in-country concentration is what is needed.

Should training be functional (i.e., related to the profession) or organizational (how to recruit members, establish dues-paying systems, etc.) Most of AID leadership training is in the former category when in many cases the latter may be more relevant. The obstacle to private peasant organizations may thus be organizational skills. This was certainly one of the problems of professional academic associations in Korea (habitually insolvent). These skills, moreover, may be the more relevant ones to be transferred from the U.S. in any participant training program. Engaging in this training obviously puts AID four-square in the position of promoting organizational activity, while professional upgrading is a more subtle approach. But where private association strengthening is what we want to do, we should be prepared to transfer the relevant skills.

Should AID concentrate on training existing leaders or potential future leaders. This can be answered in regard to the analysis of the role that the present leadership is playing and in regard to the time perspective of AID objectives. If the present leadership is playing or amenable to playing a vigorous role in expanding public participation through its group, then strengthening that leadership may be the most useful approach. Often, however, we accept the present leadership for

training because it is there, it has Government backing, and we have no means to select others. The alternative of reaching beneath the top to train sub-leadership and potential leaders seems relevant when the basic outlook and function of the group needs to be changed, e.g., in Korea, academic associations were dominated by colonially trained and politically sanctioned professors who did not support empirical or other modern research. New younger professors needed to be trained, given support for research and eventually help in organizing new professional associations.

On the other hand, AID efforts to select potential leaders is usually on a shotgun or hit-and-miss approach. When aid funds are relatively large and the number of trainees great (Korea, Taiwan, the Philippines, and Turkey in the 1950's) or where the number of college or high school graduates is small and hence leadership more easily identifiable (e.g., the Congo), this is less of a problem, or at least the odds for success are better. But where aid funds are limited, and the selection process wide open, the selection of potential leaders (as in our youth programs) may be simply wild shots in the dark. Concentrated efforts on specific organizations (e.g., labor unions) and on the people already in the hierarchical ladder of them may be the most useful long-range approach in these cases.

What should be the nature of post-training support? Often people are trained professionally but are "dropped" afterward by AID and the U.S. Obviously, direct, continuing support to individuals can be expensive, dangerous and self-defeating. On the other hand academics who never again get to share their experience with contemporaries in other countries, or peasant group leaders who have no access to PL 480 programs, may be ineffective in applying their training in their home countries. In many cases--financial, political--it may be better to encourage private professional associations in the U.S. to provide continuing support to these leaders after AID training ends, e.g., universities who have AID contracts should agree to maintain personnel, research and other support to host country institutions and individuals. AID should also gear some of its own programs to private group participation, e.g., involving unions in productivity and industrial safety programs, peasant unions in PL 480 Food-for-Work programs; veterans' organizations and civil servants' pension funds in home savings-and-loan associations, etc.

f. Types of financial support.

What are the risks of U.S. financial support for the U.S. and the recipient? Obviously the U.S. could be criticized for giving outright financial support to special interest groups. The groups too could be criticized as U.S. "puppets," as was the case with an accountants' group in Taiwan. There is also the risk of involving the U.S. in a long-range commitment to the organization in question. Some of these problems can be avoided by careful selection of the types of financial support given and by the provisions for self-help.

Self-help -- how much and what kinds? One can kill an organization by asking it to contribute in money or facilities more than its members can afford. Yet planning for increasing self-sufficiency of such organizations is one way to test membership interest and commitment. These can be dues-paying arrangements, matching contributions (from Government, outside foundations), contributions of time and skills (e.g., lawyers donating skills to legal aid or urban community action groups, etc.). There should be more attention to endowment practices also (as with JCRR in Taiwan) to develop independence and long-run financial stability for such organizations. One example of multiple funding and self-help is in Turkey. The Turkish Management Association, a completely private voluntary association consisting of large and small industry representatives, businessmen and entrepreneurs, was established in the early 1960's to provide management consultants and management research and training to its membership. In an effort to strengthen the Association's capacity to serve its members both the Ford Foundation and U.S. AID provided technical assistance and local currency support. It is recognized that the Management Association will not be able to service its membership without some form of donor assistance through 1972. It is felt that at this time the Association will be financially strong enough as well as enjoy the complete confidence of its membership to be self-sufficient. In keeping with a phase-out plan the United Nations Special Fund will provide 1-1/2 million dollars of technical assistance in the form of management consultants through 1972, the Ford Foundation will provide annual budget support to the Association through 1972 and U.S. AID will phase out their technical assistance and local currency support in FY 1969. The Association presently covers in excess of 60 per cent of their budgetary requirements through their own resources.

Direct and Indirect Financing. AID support can be in many different forms. Direct support to organizations can be given through endowment, subsidization of operating expenses, payment of salaries, etc. Indirect financing may be more effective, however, and involve less commitment. Research grants, for example, can (and should) be given to promising indigenous academic associations and professional groups. Almost none of AID's research funds are now so used. Project involvement of private organizations (unions and industry associations in vocational education programs, private development associations in administering community action programs, etc.) should be done more actively with contracts being given to local organizations to carry out functions now done almost exclusively with American contractors or host Government institutions. Obviously, careful selection of contractors, provisions of technical assistance, etc. will be necessary. But these are precautions, not precluding obstacles.

Finally, AID use of non-AID organizations in the U.S. to support these groups should be carefully evaluated (Sub-group V).

g. Problems of Continuity.

Aid programs relating to private associations suffer more than others from lack of continuity. Because they are often linked to an individual's skills (one extension advisor is interested in 4-H but his successor is not, one education advisor has a feel for the use of academic associations but his successor has none), they rise and fall with the change in personnel and program emphasis. One important answer to this is careful selection and concentration. Rather than hitting at private organizations qua private organizations, the Mission should select those one, or two, or three, which are potentially very important, which AID is able to assist or help gain assistance for, for which long-range planning of objectives and effects can be done, and for which continuity can be built into the program. These then should be pursued with the necessary staff and financial provisions to the exclusion if necessary of others to which the Mission could give lip-service support.

A second means of overcoming this problem is to build into every such activity the means for indigenous follow-up. If legislative assistants are to be trained in the U.S. over three years, a condition should be established that an indigenous training program for legislative

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assistants be established to which the AID-financed trainees can devote their skills afterwards. If academic research associations are to be aided, provisions for a permanent self-supporting journal should be made.

A third means of solution is to emphasize the development of private U.S. support for such groups--through an institutional commitment (university to university, labor union affiliations abroad, etc.), recognition of mutual interest (exchanges between community development efforts in the U.S. and abroad) and private foundation support.

NON-AID Instan.

Non-AID Instruments  
Grant Hilliker  
7/29/68

Collected Recommendations

1. Activities of other U.S. government agencies abroad need to be coordinated and related to the goals of Title IX and adjusted, where possible, for greater effectiveness. A  
  
Inclusion of Title IX in the foreign Assistance Act does not relieve other Agencies of responsibility for supporting it in their respective programs.
2. Activities of U.S. non-governmental organizations overseas also need to be aligned with Title IX purposes and among themselves to the extent possible.
3. The U.S. mission in each country has primary and crucial responsibility for proposing coherent programs, incorporating Title IX purposes. With this responsibility, the Chief of Mission must receive a wider measure of discretion than presently is given to him in determining how Title IX-relevant programs should be orchestrated and executed.
4. The achievement of inter-agency country program budgets should be brought closer to reality building on the analysis of the country situation rather than simply combining independently constructed agency programs.
5. Among the changes of emphasis in agency programs that could be brought about in support of Title IX, USIA could act more deliberately and broadly as an agent of change in the LDC's in the field of public communications.
6. Each of the major foreign affairs agencies, USIA, Peace Corps, and DOD as well as U.S. NGO's, can serve as partial successors to AID in carrying out some Title IX activities in countries where economic aid programs are terminated.
7. Attention will be needed to finding ways of relieving or relaxing restrictions on the flexibility of AID to operate and to show results. The change is required both because of difficulties of measuring Title IX defects and the longer time it usually requires for such effects to appear.
8. Among the novel ways in which AID might increase its utilization of NGO's abroad is the possibility of extending incentive grants for partial funding of private technical assistance programs ("piggy-banking").
9. In the new circumstances which characterize operations of "international" business operations of U.S. origin the U.S. government needs to study the problems of its relationship to the political impact of such operations, which is highlighted by the advent of Title IX.

10. In politically cool areas AID should consider encouraging the use of third country NGO's which might be acceptable politically to carry out Title IX purposes.
11. The U.S. government should consider, country by country, the promotion of interest aggregation thru formation of political parties. The ways of doing this are very few and the risks are considerable.
12. AID should include among the U.S. NGO's a possible utility in promoting Title IX, church and church-related groups engaged in philanthropic activities of a specific, task-oriented nature relevant to Title IX.
13. In relation to problems which go beyond the capacities of certain nation-states attention should be given to the search for regional and other transnational solutions including the promotion of international, professional and other functionally defined associations.

Non-AID Instruments

Introduction:

Although Title IX is an instruction to AID, the Agency by itself cannot be expected to implement it. AID's efforts have to be meshed with those of other elements of the U.S. government, if not to ensure full compatibility of purpose and program in Title IX terms, then at least to minimize incompatibilities.

Moreover, the United States is a society which prides itself on the diversity and strength of its private institutions and activities. Indeed it is this feature, above almost all others, that in our national self-evaluation of ourselves accounts for our success. And Title IX as a conscious policy thrust stems from the belief that the pluralism we cherish at home will prove helpful to the developing societies of the world. This being so, it is appropriate that the United States private sector, in its many overseas manifestations, be involved as fully and constructively as possible in pursuit of Title IX objectives. Particularly today, when AID's own budget is being severely pared, maximum use of the talents and resources of non-AID elements is called for.

Operationally, however, the very pluralism we prize raises difficult problems of planning and coordination. Not only is there a plethora of non-AID agencies and private groups already engaged abroad in activities of Title IX relevance, but also these agencies and groups are often enough working for different purposes and with disparate strategies. The prospects for significant direction or coordination of -- or, in many instances, even positive influence upon -- such multiple activities are not bright.

Proper note has to be taken of these difficulties, but they should not overwhelm us. In the first place, it is probably correct to assume that the programs of most U.S. agencies overseas, whether public or private, are consistent with Title IX purposes or at least are not jarringly inconsonant with them. Second, coordination and direction are not always desirable. Some non-governmental organizations, among them some potentially very useful ones in Title IX terms, depend for their effectiveness abroad upon maximum independence from the U.S. government. Finally, "coordination and direction" imply concerted activity in pursuit of understood and agreed-upon goals. Can it be said that the state of our knowledge and the extent of our agreement about the nature of socio-political change are such that we could, even if it were otherwise feasible, move forcefully and confidently to ensure coherence among the activities of the many non-AID agencies that are working in areas and ways relevant to Title IX? Flexibility on our parts, innovative capacity, openness to the lessons of experience, multiple initiatives: these are called for.

Two assumptions underlie Title IX and, more specifically, the work of this conference. The first is that "popular participation" is intrinsically a good, something to be encouraged for its own sake (although not, of course, at all times in all places at the expense of other valued goods.) The second is that the United States, in its public and private components, has much that is relevant to offer developing societies as they seek to become more fully participant ones.

In this chapter we are not concerned with the first assumption, our attention being focused on the second. What, in addition to AID's own instruments, is being, or might be, brought to bear in pursuit of Title IX purposes? How might the work of these other agencies and elements be made more effective? How might anticipated risks and costs be minimized?

Two broad categories of agencies concern us: (1) U.S. government resources, and (2) private sector resources. With respect to each of these we have tried to indicate not only constructive possibilities but also actual or potential problems. The chapter closes with brief consideration of two particularly sensitive or difficult areas: (1) political parties; and (2) transnational initiatives.

+ Vol. Ags  
+ issue  
+ Multilateral  
+ agencies

Non-AID Instruments

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Introduction

The principal ~~problem~~ <sup>problems</sup> we face in discussing the role of non-AID agencies and the private sector in Title IX activities are those that stem from the pluralism of our own environment. Not only is there a plethora of non-AID agencies and private groups already involved in Title IX-type activities, but these agencies and groups are often working for different purposes and with disparate strategies. The opportunities for AID to coordinate or direct these activities, indeed even in most cases to influence them, are not great.

In light of this, our functional group has found it necessary to explicate the role of non-AID activities more in terms of the problems faced in this area than in terms of specific recommendations for the AID program. We have outlined the premises underlying our deliberations and the resources (both governmental and private) that are presently or potentially active in Title IX areas (Sections II and III), but our review of these activities leads us to findings that emphasize the special problem areas and the particularly sensitive or controversial issues of which we should be aware (Sections IV and V).

Replaa

I. Premises

Quite aside from the Congressional injunctions of Title IX, "popular participation" in developing societies is to be sought for its own sake, as an intrinsically desirable objective. This is not to suggest that quantity of participation, irrespective of quality, is to be promoted at all times and places. The principle is inherent in other aspects of our foreign assistance effort, it is explicit in the Alliance for Progress charter and lies behind the creation of the Peace Corps and other official programs. Still more does it find expression in the work of the non-governmental agencies of the United States which carry on their own charitable, philanthropic, religious and other programs abroad. Although the agencies of the United States have a range of exportable knowledge, experience and skills relevant to Title IX, the capacity to provide them through official channels is sometimes limited by the sensitivities of host countries and by the difficulty of reaching the levels of individual and small group behavior with some of the methods commonly used in our official programs. These limitations prompt an examination of the utility of non-governmental organizations.

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Title IX suggests that pluralism, defined as an institutional dispensation that gives persons a maximum number of significant opportunities to realize their personal goals through group action, is a desirable goal for United States policy to pursue. The extent to which we seek to achieve this goal differs in accordance with our assessment of the situation in each of the developing societies with which we are concerned, looked at in its political, social, and economic aspects. In some cases we may wish to encourage fundamental, revolutionary change; in others, we may follow a course of near-total inaction. Whatever, the case, however, Title IX reflects our acceptance of the notion that radical change is desirable and inevitable. This idea leads us not only to welcome change, but also to try to help societies build systems that can accommodate such change, both internal change and transnational change in the form of new arrangements among societies.

## II. U.S. Government Resources

Agencies of the U.S. Government other than AID need to be utilized in the implementation for three single reasons. First, they dispose of substantial resources for application abroad which can supplement and reinforce those available to AID. Second, some agencies enjoy special, if not exclusive, access to counterpart groups within foreign societies, which can have either positive or negative influence on the attainment of Title IX goals. Finally, if they operate abroad independently of Title IX policies, these U.S. official agencies will undoubtedly be producing unintended political effects in the host countries, in the same way that AID economic development programs have in the past. (Organizational aspects are discussed in Part VI.)

What are these agencies? Notable among them is the Department of State, in that it has special coordinating responsibilities. Under direction of the President, the Secretary of State, is responsible for "general direction" of foreign assistance activity, as well as exercising leadership in the broad field of foreign affairs, regardless of what other official agencies may be involved. Overseas, the United States Ambassador, as the President's representative, reporting to State and using it as his "general staff" arm is responsible for coordinating the activities of all U.S. Government elements other than certain military commands. These State responsibilities are well established at the apex of authority, in Washington and abroad. Coordination at operating levels is not as effective and Title IX increases the need for its improvement.

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The activities of the other foreign affairs agencies abroad need to be related to the goals of Title IX and adjusted, where possible, for greater effectiveness. Basic to the formulation of Title IX programs in any particular country is a thorough understanding of that country. The gathering and interpretation of knowledge essential to understanding such is primarily the task of the U.S. intelligence agencies. They are principally State, Central Intelligence Agency and the Department of Defense. However colorful the fictions built around intelligence collection, it is basically a labor of research--the use of all sources of information, most of them non-secret, for analysis and the dissemination of reports to policy makers and operators. Scholarly research, either privately or publicly financed, adds to the depth and quality of understanding of a foreign country.

A second category of official agencies potentially concerned with Title IX is that of those which carry on continuing programs overseas. Among these agencies are the Peace Corps, U.S. Information Agency and the Department of Defense. All have personnel in frequent contact with foreign government officials and with private citizens. The Peace Corps and DOD are specifically charged with advising and aiding foreign nationals in their respective fields. The Peace Corps can have powerful impact through the pervasiveness of its activities and their relevance to the creation of institutions of popular participation. Our military officers can have equally significant influence through the attitudes they reflect in dealing with counterparts which are key power groups in their own societies, and which may have their own civic action or other developmental programs.

Both the DOD and USIA are engaged, along with AID, in training activities. Their roles may be largely advisory to their local counterparts for training in the foreign country, or they may be dominant in the selection and programming of persons trained in the U.S. USIA, in addition, distributes information and makes cultural presentations on the United States. Deliberately or inadvertently, each of these agencies can help or hinder the Title IX effort.

Lastly, a much larger group of official agencies are less deeply involved on a more selective basis. Examples are the Departments of Commerce, Agriculture, Health-Education-Welfare and Housing-Urban Affairs, as well as the Library of Congress, Treasury Department and numerous others. They may or may not be permanently represented abroad; in any case, they have regular or intermittent contacts with their counterparts, provide technicians to work with AID or in other overseas programs and, generally, have assets of expertise to contribute to development. In due course, the Office of Economic Opportunity and related domestic agencies may wish to add to and draw upon our overseas capability and experience.

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Non-federal units of government, or quasi-official organizations attached to them, have long maintained counterpart relationships with foreign countries, states or cities. They include the People-to-People Program established more than a decade ago, the Partners of the Alliance (in Latin America) and various sister city and even school-to-school projects. The force and nature of their impact needs to be investigated in relation to Title IX. Coordination of them is probably unnecessary and perhaps even impossible, but exchange of information with U.S. missions within the country is desirable as a way of minimizing conflicts or duplication and of revealing possible areas for more deliberate cooperation.

The overall coordination of these U.S. Government activities as they relate to Title IX requires no new mechanisms or devices, either in Washington or abroad. (See Part VI) The consultative channels of the Interdepartmental Regional Groups (IRG) and the Senior Interdepartmental Group (SIG) should suffice for the resolution of such points of difference as may arise at the levels of regional bureaus or Washington agencies. The real work must be done in the field, in each country in which a Title IX dimension exists or is under study. The coordinative bodies to take up the country programs are, in Washington, the Country Directors' circles of representatives of interested agencies and, in the field, the Ambassadors' Country Teams.

#### Coordination

The need for knowing what we are doing and for doing in fact what we intend in conception has been made apparent in this conference. Recognizing the inadvertent and unintended political effects which any foreign activities can have, and having the Congressional injunction to pursue Title IX ends as well as other more evident and manageable ones, we must make additional efforts to orchestrate the operations of official agencies abroad and to ally with the officially-determined purposes the private activities of non-governmental organizations.

There are limits to the degree of concordance that can, or should, be sought out of a variety of activities which have different and distinct primary purposes. We have the right, however, to expect this to be greater for official than for private agencies. It cannot be ordained globally that Title IX purposes should be paramount in all situations, regardless of other U.S. objectives and adverse circumstances. But it is reasonable to insist that in the country and regional contexts in which U.S. Government politics are made and operations carried out, deliberate judgments be made of the relevance of Title IX and of its prospects, way and means of execution. The fact that Title IX is an injunction to AID does not relieve other agencies of the responsibility for taking it into account in their respective programs.

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The best prospect for obtaining maximum Title IX effect in U.S. Government programs is in relating it primarily to the country level. Very few decisions affecting more than one country can have real meaning, especially since the consent of each host government is assumed before a U.S. program can be mounted. This puts the major on the U.S. Ambassador in each country, acting with the advice of his country team. With this responsibility, he must be given a wide measure of discretion in determining the manner in which Title IX-relevant programs are to be executed, regardless of the agency responsible for their execution. (The organizational consequences of this country-centered approach are outlined in Part VI.

Along with a relaxation of detailed control from Washington, there may have to be an increase in Washington's concern for the total country budget, made up from the programs of all U.S. agencies operating in a country. Some starts have been made in this direction, but real issues may arise only when conflicts of objectives are dramatized in real terms.

Is it more important, for example, in a given country to accede to the position of an Agricultural Attache who believes he is forbidden to advise local farmers on the growing of a crop competing with U.S. exports, or to promote the formation of a healthy agricultural class built on improved cultivation and market conditions for that crop? Are not U.S. resources to support certain chauvinistic economic policies abroad wasted, or even counter-productive, if they cannot be part of the country program? Should not a real start be made, under impetus of Title IX but also adequately supported by more general considerations, to create comprehensive country budgets which include the budgets of all U.S. agencies at work in the countries, rather than allowing country activities to be mainly the resultants of individual agency judgments and concerns?

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U.S. Government Agencies of Particular Title IX Relevance

Department of Defense

The many resources of the Department of Defense can contribute greatly to assisting in the achievement of Title IX goals. The military assistance program, U.S. participation in regional security organizations and the DOD research program--all should be implemented in such a manner as to support Title IX goals, or at the very least, avoid conflicting with such goals.

The following are some of the activities which are or could be carried out by DOD in support of Title IX objectives:

1. Urge increased civic action projects by foreign military organizations which strengthen local institutions, open up isolated rural areas, increase local manpower skills, reduce unemployment and increase popular participation.
2. Foster use of local military as a modernizing agent through conducting literacy and vocational training programs for conscripts, thereby supplementing civilian programs.
3. In the training of foreign military officers in the United States, ensure adequate opportunity for gaining an appreciation of U.S. economic, social and political institutions as well as our system of civilian control of the military.
4. Help foreign military leadership to accept that security is dependent upon economic, social and political, as well as military, modernization.  
  
... In those countries where the military plays a dominant or significant role in developing government policy, assist the military leadership to gain an understanding and knowledge of the management techniques required to adequately relate the military factors to the other considerations involved-- economic, political, etc.
6. In the implementation of its social science research program, DOD should try to foster the creation, or strengthening, of indigenous research capabilities. It should commission studies which increase our understanding of the relationship between indigenous and U.S. military activities and Title IX goals.

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U.S. Information Agency

The USIA, with American and local personnel at 106 embassies throughout the world, now supports Title IX goals through programs which interpret the U.S. as a nation and which publicizes the U.S. role in development activities in foreign countries. The "message" is distributed through long and short wave radio programs, TV programs, publications, news dissemination to foreign press, libraries, pre sentation of books and many other activities.

Because there is an impor tant community of interest between Title IX goals and USIS acti ities in a foreign country, cooperation between the USIA and AID should be extensive. In selecting and implementing Title IX programs, USAID s should consult closely with USIS to ascertain specific ways in which its activities could be made more supportive.

Sevecal types of USIA activities and resources could directly support Title IX type objectives. The educational exchange program, which is administered by USIS in the field for the Department of State, is probably one of the most important programs to assist in developing democratically-oriented future leadership. The USIS cultural presentation program overseas can also more directly support Title IX themes.

In pre senting the current news regarding the U.S. and other countries through all me dia forms, the USIA should use those "pegs" to aducate target audiences on Title IX values--popular pa rticipation, institutional development and distributive justice. USIS should give special attention to publicizing USAID or other U.S. agencies' activities in support of Title IX goals.

In addition to USIA being a publicist of change, there is a need for that agency to become an agent of change. This need is especially felt in assisting foreign countries in the improvement of forms of popular communications. Working with AID and possibly private commercial or educational organizations, USIA could provide media expertise and management direction to imporove public and private channels of communication from the country's leadership to the people. Also, better channels of communication upward should also be developed.

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The Peace Corps

The central idea and the manner in which the Peace Corps conducts its work is directly supportive of Title IX participatory objectives and institutions.

The U.S. probably has no more effective agent abroad for imparting U.S.-held values and democratic ideals directly to foreign populations than the Peace Corps Volunteer. The existing PC program serves Title IX goals very well indeed.

Should the Peace Corps desire to do more in support of Title IX goals, the following are some areas which might be reviewed:

1. Ensure that PCVs have a good understanding of U.S. history and the importance of U.S. public and private institutions and their interrelationship.
2. Place PCVs in positions of support to local institutions so that those organizations may be strengthened.
3. Train PCVs in the techniques of community development and institution building, as well as in ways in which people can make their views known effectively to their political and social leadership.

Following their PC service, former PCVs may be recruited for AID Title IX activities. Also, former PCVs should make very effective hosts for visiting foreigners under participant training, educational exchange or leadership grants from countries where such volunteers have served. PCVs would be in an excellent position to interpret U.S. institutions and ideals to such visitors.

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### III. U.S. Non-Governmental Resources

The use of private organizations in overseas development is an established practice, even though these resources are not fully exploited. An increased emphasis on Title IX purposes would, in some respects, enlarge the prospects for reasons to be outlined below. The possibilities are still limited, however, not only by insufficient resources of all kinds, but even more by some of the constraints felt by non-governmental organizations. Working with the Government is not easy. Accumulated restrictions, requirements and uncertainties in the foreign aid legislation and regulations discourage some private organizations from becoming involved in any way. Others hesitate to do so because of differences with official foreign policy. When they consider, in addition, that Title IX seeks results which are often unmeasurable, yet will have to be established to the satisfaction of various inspectors, auditors and investigators, the prospects are still further dimmed.

#### A. Characteristics

- 1) Non-Governmental Organizations are of three "families"
  - a) University and research institutions
  - b) Business community
  - c) Philanthropic organizations
- 2) ) How they can contribute to Title IX
  - a) University and other scholars through analysis and research, and to lesser extent through planning and implementation;
  - b) Business and philanthropic groups mainly through implementation, but they may also have data to aid analysis and judgment to assist in planning;
  - c) Technical assistance in strict sense of skilled specialists is provided mainly from university and business groups, while philanthropic work is closer to community development.

#### B. Appraisal of Value of NGOs

- 1) General: The use of NGOs abroad, as at home, offers an immediate gain in flexibility and innovative potential. It sacrifices a degree of control and public accountability.

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2) Advantages of NGOs

- a) Access to host country counterparts, especially by university and business groups, or to community at "grass roots" by philanthropic organizations;
- b) They are expendable, if they err, and can be discredited locally and even expelled without wholly jeopardizing official interests or presence--distinct asset in "high risk" activity such as Title IX;
- c) They can experiment with novel approaches in defined and narrow problem areas in ways that official agencies could not;
- d) They reduce visibility, but not necessarily effectiveness, of official U.S. presence;
- e) They generally get closer to local community than do official staffs;
- f) They can more easily work across national borders to resolve problems affected by parochial nationalisms.

3) Disadvantages of NGOs

- a) Some are reluctant to work under Government auspices for fear of being called spies, especially in university groups doing research, or of losing popularity or independence, among philanthropic groups;
- b) More preparations and precautions are needed to achieve assured results (e.g., via contract), to compensate for close supervision of work in progress that is common when using official agencies;
- c) Some organizations, especially those partly self-financed, have their own purposes and programs, which may conflict with Title IX aims.

## Roles for Universities and Foundations in Title IX Activities

I. Universities and Foundations have a distinct role to play in Title IX activities.

A. Have resources for carrying out specific tasks that cannot be found elsewhere

1. law schools
2. agricultural training programs
3. medical schools, etc.

*Social Sciences  
faculties*

B. Could play large role in conceptualization and measurement of Title IX as well as evaluation

C. Have access to groups and individuals within host countries that cannot be reached by government or private agencies -- particularly dissidents, protest groups, the "outs".

D. Caution: Not as effective in reducing visible USG presence or minimizing mistakes for USG as other private sector groups might be.

II. Universities and Foundations that might be involved

A. Foundations

1. Ford, Rockefeller
2. PADF, Asia Society, other regional foundations
3. Possibly U.S.-host country (Indo-American Foundation) but should move slowly on this
4. Small more specific foundations -- American Institute of Indian Studies, - for example.

B. Universities

1. Those interested in research on Title IX concepts and measurement
2. Those interested in research on host country situations relevant to Title IX.
3. Those interested in specific skills
4. Those interested in teacher training, educational programs
5. Those interested in cultural activities

### III. Special problems and considerations

A. Need for more research on political development, and especially on the relationship of U.S. programs to political development, pluralism, Title IX measurement.

B. Need for greater training programs to make universities contractors for Title IX activities -- i.e., 211(d)

C. Greater use of grant device rather than contract device to make universities more receptive to Title IX activities.

D. Greater emphasis on communications between A.I.D. and universities (e.g., assistance to regional study groups such as the one in Latin America).

## B. Private Profit-Seeking Organizations

In pursuit of Title IX objectives, it is appropriate to encourage U.S. private business enterprises abroad to:

- a. Seek ways whereby employees can be brought to feel they have a significant stake in the enterprise,
- b. Encourage management to devote more of its attention and talents to the solution of community problems.

In the conduct of overseas operations, U.S. Businesses are in a good position to encourage and assist in the development of local small businesses, some of which could serve as sources of supply (Sears in Latin America carries out such an enlightened policy). The availability of risk capital is frequently the missing ingredient to the creation of small business and in some countries U.S. business can help finance the establishment of small business investment companies (cf. the experience of CREOLE in Venezuela).

In the field of technical assistance, AID should continue and expand the use of incentive grants to provide partial funding of private technical assistance programs. The potentials of this "piggy-backing" grant (or contract) to support private technical assistance can be useful in building up the institutional structures inevitably associated with major private investment projects. The objective of strengthening the private institutional fabric of a society is better served by such private sector to private sector arrangements than through the conventional government to government pipeline.

An example of what can be done is provided by the International Executive Service Corps. This organization, established by U.S. business with AID's help, is providing business know-how to developing countries by drawing on a roster of 4,000 U.S. business volunteers. Some 400 projects in 38 countries have been completed in its first three years. Similarly Volunteers for International Technical Assistance (VITA), Inc. draws on the contributed talents of 4,500 specialists from 800 corporations and 200 universities in technical problem-solving through

a person-to-person mail inquiry and counseling service. AID should ensure that these volunteers are aware of Title IX considerations in the conduct of their work.

Recently, there has been a dramatic increase in the involvement of businesses on the urban and related problems in the U.S., either through government contracts, enlightened self-interest or a public service desire. AID should investigate the type and results of such programs for applicability to similar problems in the less-developed countries and then should attempt to apply some of the pertinent experience thus gained by U.S. business to the IDC situation utilizing such business talent in an appropriate manner.

AID through the Private Resources Development Service should provide information and suggestions to U.S. businesses on how operations overseas could assist in the pursuit of Title IX goals. Examples of U.S. organizations which might be used for the purpose are the U.S. Chamber of Commerce, the Council for Latin America, Partners for the Alliance, and the American Institute for Free Labor Development.

In addition to the opportunities for constructive use of U.S. business organizations in pursuit of Title IX purposes (i.e., non-profit) abroad, there exists the problem of how U.S. business conducts itself in its activities for profit. In part, it is more historical and symbolic than actual, for many U.S. investors and traders have adopted highly enlightened practices of ownership, management and labor-social relations overseas. It should nevertheless be part of the U.S. effort to give effect to Title IX to do all possible to ensure that U.S. business subsidiaries and affiliates conduct their business activities so as to support as much as possible the goals which we believe appropriate and realistic under Title IX. The subject should be discussed in general terms with business organizations and main offices of firms in the U.S., but the concrete effort must be made in each country, using the special entree that commonly exists for Ambassadors and Commercial Attaches usually via a local chapter of the American Chamber of Commerce.

In a larger sense, however, some firms are growing beyond the exclusive influence of the U.S. Government. Examples multiply of firms which, though of U.S. origin and perhaps dominant ownership, are in fact internationalized in respect to large shares of their stock holdings, management, personnel and operations. These firms may be beyond the influence or decisive control of the U.S. - or any other - Government on critical issues of financial gain. Control then rests largely on the individual less developed countries in which investments or operations are located, the governments of which are seldom in strong positions to act forcefully. An element which tends to pervade their conduct is the presupposition that U.S. Government will side with the foreign firm in traditional protective action.

In the new circumstances which surround many such cases, the U.S. Government needs to study the problems of its relationship to the interests and conduct abroad of wholly or partly-owned U.S. firms, and of the political impact of business operations of foreign firms. The subject is highlighted by the application of Title IX and the great influence of certain business operations on its success, but it goes far beyond the concerns of AID alone and should have the attention of the State and Commerce Departments.

#### IV. Special Problem Areas

##### A. Administrative

A basic administrative problem for successful Title IX implementation confronts both U.S. government agencies and NGO's even before their activities commence. That is the problem of recruitment. Both government and non-governmental organizations recruit their staff primarily for the technical competence they possess. The indispensable nature of such a criterion is obvious as the organizations' business must be performed effectively. It is true also that for overseas employment both government and non-government employees are increasingly taking into consideration the adaptability factor, i.e., the ability of an employee to adjust to new culture surroundings in minimum time. Seldom, however, does either type of organization analyze a prospective employee from a Title IX point of view to determine his sensitivity to and understanding of the

political and social nature of societies and the effects of the pluralization it may be his role to create. With U.S. Government agencies this problem can be met without undue difficulty by AID insistence on use of this latter criterion in selecting personnel to perform AID-funded activities.

As far as NGO's are concerned, the problem for AID is more complex. Where the NGO activities are to be AID-financed (at least on a direct contract basis), AID can participate to some extent in personnel selection through its personnel veto rights and can encourage use of a political sensitivity criterion in employment. In those other cases, however, where the NGO activity is not directly AID-financed, AID's influence on personnel selection standards can be only slight.

#### B. Coordination

Another basic administrative problem reflected in recruitment as well as other areas is coordination. With the multitude of public and private U.S. organizations operating abroad, it is important that there be sufficient inter-organization coordination both in the U.S. and in the foreign country in which they are operating. Coordination among U.S. government agencies has been discussed above and is covered in greater detail in Part VI. Coordination of non-governmental activities presents a more difficult problem, precisely because of their non-governmental character and the resultant lack of control by governmental authority. Not that absolute control is the goal. The wide variety of function and outlook of these private organizations is basic to their very existence and directly reflects the pluralism of society which Title IX seeks to nurture abroad. But some minimal exchange of information is desirable to assist the U.S. government in orchestrating a total country program and to help the NGO to avoid possible wasteful duplication of effort. Knowledge of program plans and content can be of immediate benefit to both the U.S. government and the private organization.

In the U.S. such coordination can be achieved through such vehicles as the Advisory Committee on Voluntary Foreign Aid Agencies, the U.S. Chamber of Commerce, etc. These organizations exist now. What is needed at present then is to expose them to the U.S. government interest in their activities, a cooperative and mutual exchange of information on country planning and concurrently the significance for them of Title IX. Overseas, the public-private coordination problem is on a smaller scale and, therefore, can be met more directly. Here too conformity with official U.S. pronouncements is not the goal. A cooperative two-way exchange leading to greater mutual understanding and sympathy is. Coordination on a country basis should lead to a coherent over-all program while maintaining organization flexibility. Here the responsibility should be with AID under the direction of the Ambassador to establish liaison with such private organizations perhaps through a local branch of the U.S. Chamber of Commerce. If the organizations are numerous enough or the local problems sufficiently complex, a country council of private organizations could be established to effect needed coordination. This has been done in Vietnam.

Wherever the coordination takes place--in the U.S. or overseas--the responsibility generally and in Title IX terms is that of the U.S. Government. Within the government, AID is the logical choice for this role. What means then are at AID's disposal to facilitate this coordination of quite diverse organizations which may possibly not see initially the advantages of cooperation with the USG? First, the coordination of organizations, the activities of which are in whole or in part financed by the U.S. Government, is a relatively easy matter. If on contract to AID the NGO is subject to AID's direct supervision, if a recipient of an AID grant, the NGO is still subject to AID review of its activities based on the AID right to revoke the grant if improperly utilized. Where the NGO is independently financed, AID still may be able to exert some leverage through extending to the NGO certain in-country support facilities, such as local transportation, mail privileges, visa requests or other assistance of value to the NGO.

A third means of coordination, and hopefully the one which would be the most effective, is persuasion. An integral and vital part of any AID mission's responsibilities is the development of close, amicable relations with other in-country organizations contributing to the country's development. Effective fulfillment of this responsibility should minimize the difficulties of coordinating Title IX-related activities.

Another aspect of coordination should not be overlooked. This is the coordination effected by the host government. In some countries (e.g. Chile, Vietnam) there is an agency of the government charged with liaison with and to varying extent coordination of the operations of foreign NGO's. This is an important part of the coordination of the effort and as long as it does not degenerate into a government attempt to curb the pluralistic effects of the NGO's operations, it should be encouraged. It could be extended also to include as well all local NGO's which contribute to Title IX realization. In this sense it could be the focal point for efforts to increase popular participation in the development process throughout the nation.

B. NGO's in Non-Concentration Countries

For a variety of reasons, including the decreasing AID budget, a lessening of 'Cold War' tensions, temporary political unpopularity of the U.S., or a traditional lack of U.S. concern, there is a significant group of developing nations in which the U.S. presence, involvement and expenditure of public and private resources are slighted. In these countries those AID programs that may exist will probably have only slight impact on development and the kind of socio-political modernization reflected in Title IX. It is, nevertheless, still in the interests of the U.S. to foster the growth of a popularly-based pluralistic, democratically-oriented participatory society. What the U.S. Government cannot do directly in such a country can perhaps be accomplished -- in part at least -- by the NGO's. Private organizations, whether philanthropic or trade association oriented, operate in countries for often quite different reasons than does the U.S. Government. It might be, therefore, that for humanitarian, cultural or professional reasons

NGO's would maintain active operations in countries where the U.S. cannot or does not choose to have a major presence.

Here enlightened Title IX policy would see the U.S. encourage, and wherever and however possible, assist, the NGO's to operate meaningful programs of pluralistic democratic development. How can AID help the NGO's under such circumstances? The answer would depend, of course, on the nature of the country and the attitude of its government. In countries ripe for pluralistic development but where political animosities block greater direct U.S. participation (e.g., Arab states), the U.S. might make available to NGO's information on opportunities for their activities gained through Embassy or intelligence sources. In so doing it could encourage the NGO to undertake activities in that country in a number of ways. It could assist monetarily by way of a grant or transportation subsidies if commodities are involved. Attention should be given to the possibilities of an investment guarantee for the assets which might be void in the country. While traditionally AID investment guarantees have been valid only for profit-making ventures, extension of this program to non-profit organizations might prove a helpful inducement to increased NGO activities. In such politically cool areas as this AID should consider encouraging the use of third country NGO's which might be more immediately acceptable politically and yet would still achieve Title IX purposes. Perhaps AID financing could be made available through the medium of a world-wide contract or grant making U.S. involvement appear minimal. Multilateral support for U.S. or third country NGO's might also be a workable method. In countries where the U.S. presence is limited due to the lack of economic development potential or the marginal nature of U.S. interests (e.g., most of Africa) the U.S. could benefit from NGO operations in such countries and could in turn assist the NGO's by working with the host-government to ease their entry, providing information on local opportunities and in general using its good offices to facilitate commencement of the NGO's activities. In this way the NGO could become an American-sponsored and locally-recognized substitute for a U.S.

public foreign aid program and could help directly in advancing Title IX goals. While, as appears obvious, the method most feasible in any particular country will necessarily be dependent on the conditions currently existing in that country, the above discussion should give some indications of the variety of circumstances under which AID could seek to encourage the extension of Title IX fulfilling NGO activities.

C. Funding

Of considerable significance to the way in which the U.S. can use NGO's in advancing Title IX activities is the method whereby they are financed. When the U.S. and host country recognize a Title IX-related need, which would be suitable for NGO activity, the most direct way of involving an NGO is through direct A.I.D. financing, through an A.I.D.-funded contract either with A.I.D. as the contracting party or with the host government, although in either case A.I.D. will be intimately involved in the contracting process. By this method the NGO's activities are locally viewed as a U.S. government program. If, however, the circumstances are such that the complete control of the NGO's activities offered by the contract is of less significance than the appearance of less U.S. official involvement in the NGO's in-country activities, a grant may be more appropriate. Under this mechanism the funding for generally agreed-upon purposes is given to the NGO in advance. The NGO is then usually free to begin operations after direct NGO-host country agreement, where necessary, and can operate with greater flexibility. Analogous to the question of directness of funding and of considerable significance to the readiness of NGO's to agree to U.S. government programs is the issue of administrative procedures and oversight. To the extent that the formalities involved in fiscal accounting and end-use audits normal for A.I.D. contract administration can be eased and made more flexible (which can be done without excessive loss of program control), the NGO's will be more ready to participate in the kind of U.S.-supported programs necessary for Title IX implementation. This is a factor which both A.I.D. and the relevant Congressional committees must consider, for much of A.I.D. detailed accounting procedures have resulted from Congressional criticism of alleged loose fiscal accounting to A.I.D. contractors. If the grant device is to prove its effectiveness it should be accompanied by a reasonable understanding by A.I.D., the Congress and the NGO's as to what is proper fiscal accountability combining optimum amounts of flexibility with the basic minimum of accountability.

Closely related to the question of NGO funding is that posed by the so-called CIA orphans. It is certainly in the interests of the U.S. that the very desirable work of these various organizations continue. Much of this work is directly related to the purposes of Title IX and at present there appears to be no substitute for these organizations or their equivalent, although, as discussed in Part VI, alternatives are under consideration. In the meantime A.I.D. can and should through grant financing continue the valuable work of many of these organizations directly involved with Title IX whenever (and this is true in many cases) the direct U.S. funding relationship would not embarrass or be repugnant to the host government. In those cases where direct funding is inexpedient, A.I.D. could encourage private foundation funding until such time as the more general problem is satisfactorily resolved.

Another type of funding for NGO activities relating to Title IX should not be overlooked. This involves direct profit-making ventures. Both private capital investments and A.I.D.-financed capital development projects can have valuable Title IX side effects. It is fully possible that private or public capital projects can be planned in such ways that their completion will leave behind significant contributions to local social infrastructure. Road building or power projects camp sites could be turned into technical schools. Individual developments could promote local government as well as trade union organization and expansion. Maximum use of local entrepreneurs in such projects could result in new business groupings and a new impetus for social pluralization. Three such projects could be fashioned to increase not only technical skills but also the socio-political skills sought by Title IX. This so-called "piggy-back" use of capital projects for Title IX purposes must not be overlooked.

While we have been concerned here mostly with the problems of funding U.S. NGO's operating abroad, we must also consider the problem of funding for host-country NGO's. One result of Title IX efforts may well be a group of local NGO's which have sprouted from the seeds planted by the activities of the U.S. NGO's. Some effort could be made to consider ways of financing these host-country organizations. Encouragement could be given to the host government to aid in their funding, where appropriate and where the result would not be to make the NGO a prisoner of government policy. The U.S. could initially assist in their support, perhaps with excess U.S.-owned local currency as in the proposed U.S.-Indian foundation. But U.S. assistance should be a pump-primer and no more. Continued dependence on U.S. aid for sustenance would be as debilitating to the healthy pluralistic environment Title IX seeks to create as would continued host-government support under the wrong circumstances. Means for self-financing should be given prime emphasis in the creation of any such local NGO.

#### D. Phase-out

Although not as immediately troublesome to A.I.D. as the problem of how to encourage introduction of NGO's abroad, the problem of when their activity should be curtailed or terminated must also be considered. While it is easy to overgeneralize about such situations and here as with most other Title IX considerations the situation must be governed by the peculiar circumstances prevailing in any particular country at any given time, it can be hypothesized that NGO termination could occur under two different sets of circumstances. The first and more desirable situation is where the local country activity fostered by the American NGO has reached that stage of fruition where it can and should proceed alone. Excessive dependence of a local NGO on its foreign counterpart may develop a permanence of this dependency relationship. This is not the desired goal. Certainly a continuing consultative, information sharing and views exchanging relationship is not bad, but it must be one that contributes to the self-sustaining nature of the local NGO's

development. There may come a time when it is in the best interests of all concerned that active material support by the American NGO be withdrawn. It is most unlikely that there would be any U.S. government involvement at this stage, but if such should be required, it would probably consist of gentle and helpful counsel for the displaced NGO.

A more likely scenario is where a change in government or some local indiscretion has resulted in a public or private climate inhospitable to the continued activity of an NGO. The last decade has seen this situation develop all too often (e.g. Sukarno's Indonesia, Cambodia, Cuba). Under such circumstances the role of the U.S. Mission is to assist the NGO to maintain its staying power where for Title IX or other purposes this is considered to be in the U.S. interests. If the disfavor incurred by the NGO is the result of its own indiscretions, however, it is the responsibility of the U.S. Mission to urge it to put its house in order as rapidly as possible and if it does, to intercede with the host-government on its behalf. If it refuses, the U.S. would have little alternative to letting it be displaced despite whatever support its constituents might marshal for it in the U.S.

A variation of this same problem might occur when upon a change of local regime the NGO becomes increasingly persona grata but the new regime turns increasingly away from Title IX objectives towards a more authoritarian, non-participatory government and/or society. Here the U.S. would have to make a judgment as to whether the continued presence of the popular NGO would tend to advance meaningful Title IX or humanitarian goals. If not, it might then be proper for the U.S. to encourage the NGO's departure by whatever means might be both available and suitable.

In this context, however, it should be mentioned that in the face of coup bringing to power an authoritarian regime not disposed to move towards Title IX objectives, the U.S. might choose to disassociate itself from the regime by withdrawing or sharply curtailing its presence, including aid, but might seek to maintain NGO activities as a connection with the national Title IX allies who some day might change the country's direction. Strong NGO Title IX presence would be helpful under such circumstances.

#### E. Title IX Sensitivity

In promoting the use of NGO's for Title IX purposes the U.S. Government must directly confront the issue of the public characterization we are to place on this activity. Should such activity be openly described as implementing Title IX by assisting in the creation of open, democratic, participatory societies or should this fundamental purpose be covered in some verbal cosmetic (e.g., economic growth, anti-communism) which we believe would be more palatable to the host-government or local populace? In other words, how politically and emotionally sensitive is Title IX and what should we do about it? The question, of course,

pervades all aspects of Title IX implementation, not just NGO activity, but it is here too that it must be directly faced in encouraging NGO's to go abroad and soliciting their acceptance by host governments.

In debating the issue of sensitivity we must focus on the question of sensitive to whom. Too often A.I.D. as well as other U.S. agencies tends to assume a matter will be sensitive to foreign nationals when, in fact, it is not at all. The deep American conviction of the universal significance of democratic institutions is often more than balanced by our own sensitivity as to the feelings of others. Too often we fear doing what we believe is right because of what we believe may be offensive.

As has been noted in Part I the United States is committed to, and is seen by the rest of the world as committed to, a set of quite explicit human values. To try to cloak from the world's view the normative significance of programs we consciously design to promote the attainment of those values is not only hypocritical but unconvincing. Most of the world could not be convinced of U.S. normative sterility and should not be.

Therefore, the U.S. should be as frank as possible about Title IX. We are obliged, reasonably and candidly, to explain to potential host governments the import of Title IX, and what it can mean for them.

#### V. Sensitive and Difficult Areas of Possible Title IX Activity

##### Parties

This conference has been asked to consider ways whereby the emergence and wholesome growth of popularly based and representative political parties might be assisted in accordance with the Title IX instruction. An assumption evidently underlies this request, namely, that what A.I.D. (and other elements of the United States Government) should seek to promote in the countries of the developing world is consensus politics within a pluralist, constitutionally democratic framework, and that specific attention to political parties is an appropriate means to this end. A further assumption seems to be that the political experience of the United States is relevant to the situations in which the developing countries find themselves and that therefore we have something valuable to teach or to give them in this highly sensitive area.

We can accept the assumptions, although we must qualify them to take account of cases. We conclude, for example, that the political experience of the United States is much more relevant to the developmental challenge facing the societies of Latin America than it is to that facing most of the societies of Africa and Asia; and even with respect to Latin America, we conclude that great caution and modesty is called for. The free and responsible play of party politics, we believe, presupposes an undergirding of national consensus, a consensus that is not yet to be found in most developing countries. The single-party system or the

one-party-dominant system may be an instrument for the building of such consensus, although it need not be. What does seem to be clear is that competing political parties in national societies that are only fragilely integrated are more likely than not to be divisive agents, particularistic, factionalist, personalist. The Latin American states, many of which have had close to a century of experience with party politics, demonstrate this -- only in recent years, haltingly and erratically, is responsible populist party politics beginning to emerge in the region. And it is emerging perhaps less in consequence of the activities of the parties themselves than in consequence of the working of other forces -- economic and social-- to which parties find it expedient as well as possible and desirable to respond.

We reach the quite lame conclusion, therefore, that the United States is to promote parties where and to the extent possible. The limits of the possible here are set not only by the danger of augmenting fissiparous tendencies in the developing countries, but also by the extreme sensitivity of the whole political party question. Direct AID involvement in matters pertaining to political parties, therefore, must be approached with great caution and only after profound and comprehensive analyses of country situations. Indirect activity--i.e., support of non-governmental initiatives--in support of party development is subject to similar caveats.

A more hopeful, certainly less risky, line of approach lies in the field of civic education. For many years, for example, the Overseas Education Fund of the League of Women Voters has been engaged in trying to help the women of Latin America acquire the skills, attitudes, and values that are appropriate to responsible and effective political behavior. The Fund's program is not in any sense partisan, although implicit in it is a set of political values that are manifestly incompatible with much actual political practice in most of the countries in which the Fund operates. Similarly, the International Development Foundation is conducting programs among peasant groups in several Latin American societies. Such programs are carried out of course with the full knowledge and consent of the host governments and are not seen by the governments as threatening. These programs are small, but their long-range implications for the political systems are profound. One may properly ask whether their scope could be significantly expanded without arousing fears and suspicions on the parts of the government and other elite elements.

Another area in which more might be done by the United States private sector in pursuit of Title IX purposes in the political realm is that of the press and, more broadly, the media. In countries where the media are not controlled, present efforts could be increased to build effective links between editors, publishers, and owners and managers of radio and television outlets with their counterparts in the United States for the purpose of encouraging honest and responsible media performance. Expectations for the achievements of such an augmented program cannot realistically be high, but on the

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assumption that rational and responsible political behavior on the part of citizens depends in good part upon adequate and reliable information, whatever can be done to get such information to the citizens should be promoted.

Is it possible to approach some aspects of political parties as "technical matters? Is it possible, that is, to provide training to party leaders and activists, irrespective of their party labels and specific programmatic thrusts, in such fields as party organization, financing, recruitment and advancement? Attempts to do this in the past, as, for example, at the San Jose, Costa Rica, school, have not been notably successful. In the first place, it is very difficult to keep the program "technical" to the exclusion of ideological and other more narrowly partisan concerns. (The San Jose school has been overtly committed to the interests of the so-called Aprista parties of Latin America.) Secondly, there is an awkward choice between opting for a neutral site for the school (with the inevitable consequence that much of the curriculum appears abstract and sterile to party activists from specific countries) and locating schools in host countries for the purpose of training host country party workers (which immediately gets the schools embroiled in domestic political rivalries). Third, there is the difficulty of recruiting suitable persons for the carrying out of these training activities. It is a real question whether United States party workers have derived from their own experience information and lessons that can be made relevant to the situations confronting party workers in developing countries, apart from the question of the appropriateness of US nationals presuming to teach this range of materials. Moreover, resource persons from the countries themselves are very scarce and, where they are to be found, are almost certainly committed to the fortunes of their own parties, not to facilitating the work of other, competing parties.

It need not be assumed, of course, that the responsibility for assisting the emergence of strong, responsible parties is one that falls most properly to the United States. Both the Social Democratic and the Christian Democratic parties of western Europe are involved in programs of training and research in the developing world (cf. the work of the Ebert and Adenauer Foundations based in West Germany), and it is possible that their political experience is more relevant to that of the less developed countries than is our own. Moreover, their presence in the developing countries is less visible, less a cause for concern, than presumably is ours. We note also that there are within the world of the developing countries some party systems that may profitably be examined by party leaders from other developing countries. In the Latin American context, for example, Mexico has evolved an effective, efficient, quite responsive and responsible party apparatus that has been, one surmises, too little appreciated and examined by other Latin Americans. For the kinds of "technical" party matters that here concern us, Mexico probably has much useful to teach. It would be worth exploring whether AID could facilitate some party training of non-Mexicans in Mexico.

Nothing of the above, of course, should be taken to detract from the great importance we should assign to encouraging more frequent, intensive and substantive communication between activists in the American political system (professional politicians and party workers) and political activists in the developing countries.

Churches and religiously motivated organizations.

Throughout the developing world religion remains a vital force, significantly informing man's values and behavior. While the influence of religion varies from society to society and from group to group within societies--and of course varies substantially in accordance with the dominant religious belief systems and organizations among the societies--its importance as a facilitating agent or as a hindrance to the kinds of participation called for by Title IX should not be minimized. The questions to be raised here are two: (1) Can the process of social, cultural, and psychological dislocation associated with modernization--even as presumably meliorated by a Title IX emphasis on participation --be made less painful by providing ways whereby men may understand and interpret this process in terms of their established religious beliefs and practices? (2) If so, is there a role here for United States churchmen and other religiously-motivated persons and organizations? (It would certainly be a violation of the spirit and intent of Title IX to assume that traditional religious belief and practice are simply obstacles in the way of change, later or sooner to be washed away by the stream of secularization).

The first question is one for intensive research of the kind that has been pursued by Robert N. Bellah, Clifford Geertz, and others, although enough is known to permit the conclusion that most established religions can provide a framework of belief within which rapid change can be understood, accepted, and welcomed. Islam and Buddhism, for example, are capable, upon interpretation, of accommodating rapid, planned change. And Christianity with its strong emphasis upon process and God-in-history is readily interpreted as change- and future-oriented, as the pronouncements of John XXIII and Paul VI show.

The second question must receive a guarded answer. Traditionally most U.S. churchmen who have been concerned with societies other than our own have been missionaries, often deeply concerned for the spiritual and material welfare of the populations within which they worked, but primarily committed to inculcation, Christian relief, and in much of the world the legacy that the missionaries have left behind them makes cooperation today between Christians and non-Christians difficult. At the same time, though, the ecumenical spirit is spreading rapidly among United States churchmen along with an increasing preoccupation with problems of social and cultural change derived from a reassessment of the nature of Christian responsibility. By inclination more and more of them are advocates of initiatives and programs fully consonant with Title IX, and they are establishing effective working relationships with their host-country counterparts, particularly in predominantly Roman Catholic countries. The churchmen therefore are a significant resource for Title IX purposes.

It is difficult, however, to coordinate the efforts of the churchmen with those of the United States Government, in part because of the churchman's conception of his proper role in the world, in part because many churchmen, including some of those most active and influential in international matters, are bitterly opposed to what they understand to be United States foreign policy objectives and means. What is required, if the human and other resources the churchmen have available to them are to be used most effectively in Title IX ways, is systematic effort to open and maintain good channels of communication between the United States government and the churches, both in Washington and in the field. Major first steps in this direction have already been taken by the Latin American bureau.

If the churchmen can be assured of compatibility of purpose between their activities and those of the United States government, if some mechanism for coordination of efforts can be devised, and if the churchmen can be held to suitable performance criteria in respect of the activities in which they engage, then it would seem appropriate to provide the churches and church-related groups with direct financial and technical support for specific task-oriented endeavors.

#### Transnational Title IX-relevant Activity

At the core of Title IX, as conceived by its Congressional sponsors and as understood by many A.I.D. personnel in Washington and the field, is a deep concern for the quality of human life in the developing countries. While the thrust of the Title is downward, toward the grass-roots, it can be, and probably should be interpreted as well in the other direction, toward the transcending of parochial nationalisms and confining state boundaries. It is true that A.I.D. programs take as their targets individual states; what is urged here is that A.I.D., without sacrifice of country programs, devote research attention and perhaps some resources of other kinds to transnational prospects and possibilities.

The reason for this recommendation is the distressingly evident fact that many of today's nation-states are simply too small, too poor, and too poorly endowed to meet the social and economic requirements their populations are placing upon them -- their prospects for substantial development as independent entities are at best very dim. Moreover, during the years ahead additional states will be seen to lack sufficient capacity as emerging demands make traditional forms of political, economic, and social -- and international -- organization increasingly inappropriate and inadequate. It would seem prudent to begin now to prepare for and move toward an international dispensation that transcends conventional notions of state autonomy and sovereignty in the political as well as the economic and cultural spheres.

One can persuasively argue that in the economic and cultural spheres state frontiers are today being breached in ways inconceivable a few

years ago. What we see is not only the classic dependence of states upon world market forces over which they have no control; we see also the rise of the international corporation whose allegiance and responsibility are owed to no single state. What we see is the pervasive influence over much of the developing world of the mass media of the United States. What we see is the international movement of persons, for employment, for education, for recreation, on a vast scale. What we see is the spread of international ideologies, no respecters of boundaries. The sovereign state remains, however, as the ultimate community with which a man can legitimately identify himself, while the ostensible grounds for that legitimate identification are being rapidly eroded.

In addition to Title-IX-relevant research pertaining to this matter (e.g., imaginative exploration of the prospects and possibilities for the mini-states of the Caribbean, a matter that is already being intensively explored in the United States under private auspices), it would seem that A.I.D. could promote the development of transnational parties, embracing a number of states within a geographic region -- for, as we are discovering, some movement toward political integration must accompany advances toward economic integration if the latter is to succeed. A.I.D. -- or another agency of the United States government -- might try to help give substantive significance to various regional interparliamentary unions. A.I.D. could do more to promote and vitalize regional, functionally defined, professional associations. It could assist in broadening the base and giving substance to chapters of the Society for International Development in the developing countries.

It is not suggested that this range of problems and initiatives should occupy a high priority among A.I.D.'s many concerns. It is suggested only that in the absence of increased efforts to crack through the shell of state sovereignty at the political level, many of A.I.D.'s laudable single-country efforts are likely foredoomed.

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### C. Mobilizing U.S. Non-Governmental Organizations

The task of making most effective use of U.S. private resources in foreign development is not restricted to the U.S. Government or to the purposes of Title IX. The institutions themselves are concerned, and the initiative which they exhibit is the greatest private asset we have in the foreign aid field. Since the problem is broader than Title IX -- broader, in fact, than the problems of A.I.D. or any single agency -- we do not intend to explore it fully, but merely to refer to some studies which have been summarized by the A.I.D. Private Resources Development Service.

A number of proposals have appeared in recent years, mostly on official (legislative or executive) initiative, having among their purposes the reorganization of channels for providing technical assistance overseas. For our purposes, it is of interest that most of them combined some form of U.S. Government financing with a quasi-governmental or private status. The urge for independence of direct Executive control is apparent. University and research institutions, and to some extent business groups, are considered to have made the necessary connections with the Government and hardly require a coordinating mechanism, while philanthropic organizations are most in need of it. Recent proposals, however, have been aimed at the academic, business or agricultural areas, and the technical assistance function is tied closely to research and development. Finally, little is said about how, or whether, such a new organization would operate overseas. These features all tend to lessen the relevance of the proposals to Title IX purposes, unless adaptations are made.

Whatever the organizational form, several functions relating to NGOs must be performed on the U.S. side. Decisions would be needed as to:

#### 1) Financing

a) If partly Government-financed, should they be on contractual, shared commitment or sustaining (grant incentive) basis;

b) Should amounts paid be for services only, for somewhat more to cover a larger share of organizational overhead, or less on a theory of matching contributions;

c) Should fully-funded entities be set up for stateside and/or foreign activities;

#### 2) Programming

a) How can self-financed portions of NGO foreign programs be made consistent, or at least not inconsistent, with Title IX purposes;

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b) Will NGOs accept specific Title IX tasks in one or more countries, as part of regular programs, without official support;

c) Would the coordinating organization be able to align programs of two or more participating NGOs, with or without financial support.

3) Personnel

a) Should A.I.D. recruitment of direct-hire technicians gradually be eliminated in favor of using NGOs, or a central organization acting as a channel to them;

b) How much control should A.I.D. exercise over selection of personnel of NGOs sent overseas with some form of official support;

c) Should official training programs be opened up to NGOs sending personnel overseas in Title IX activities, with or without official support.

IV. Operations Overseas

How U.S.-NGOs operate abroad for Title IX purposes must depend in particular countries upon conditions that prevail there. It is often difficult to introduce into a country where it is not already established an organization which is expected to work in the community. This limits the utility of many U.S. organizations in the philanthropic group (if they lack foreign operating experience. We must begin, as a rule, with NGOs which have already made their way in a particular country. Exceptions exist where technical and professional standing of the NGO are more important than community status, as is true generally of university and business groups.

Various modes of operation are possible in the host country. Where they already exist, even in embryonic form, local counterparts should be used as sources of housing and support for the U.S.-NGO, in order to promote closer relations and to avoid the tendency to make U.S. Government employees out of contract staffs. If no local counterpart exists, it may be necessary to create it. It should have local legal identity and acceptability. Even though it uses U.S. -NGO staffs as a nucleus, it should build in mechanisms for progressive "nationalization" of staff and financial support.

INTRODUCTION

To improve the effectiveness of the Agency for International Development in conducting programs under the Foreign Assistance Act which are consonant with Title IX changes in organization, research methods and content and recruitment and training are believed to be desirable. While it is to be hoped that the recommendations which follow reflect a consensus and are representative of the central thrust of the Conference, it must be noted that a number of fundamentally different views of inter-relationships and relative priorities both in foreign policy and foreign assistance continue to emerge even at this late date. This has made the role of those concerned with preparation of the individual sections difficult, for without clearly defined policy goals and Title IX foreign assistance objectives towards which to organize it has been necessary to plan and propose on the basis of policy and operational assumptions without surety of their general validity.

The prime question for us has been "What do we want the Agency to be organized, 'researched' and trained to do that it is not now doing and, perhaps, not now capable of doing?" More narrowly, "What do we want AID people to do in future in response to Title IX that they are now now doing" In part we want them to do more to encourage increased participation on the part of the recipients in development activities. In part we want them to be more aware of the social and political context within which they work in order that they can be both

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more sensitive and more responsive to needs and opportunities for Title IX initiatives. In the broadest sense, we want to alter the perceptions, attitudes, values and priorities of both the individuals and the organization.

The Agency, and the entire foreign affairs establishment, should be capable of more comprehensive and longterm analysis of the Title IX implications of our involvement in individual country situations and so organized and staffed as to be in a position to maximize Title IX advantages not only through encouraging increased participation but in such other ways as are considered appropriate by the Country Team, by AID and by the Department of State.

While adopting the broad view of Title IX as an approach and a set of attitudes which should be widely accepted within AID and applied as both implicit and explicit criteria in assessing each country program and weighing alternative allocations of resources both to countries and within countries, it is believed that recommendations for an incremental approach may result in more rapid achievement of this objective than would suggestions for a more sweeping restructuring of the Agency and the foreign affairs establishment. While there may be a number of other reasons to consider fundamental reorganization we do not believe that Title IX either demands or is sufficient cause for such fundamental changes. We have, therefore, sought to make the recommendations contained herein both relevant to Title IX performance and susceptible of implementation without basic restructuring of the foreign affairs establishment.

In shaping these proposals we have been mindful of the new wording contained in the 1968 amendments to Title IX of the Foreign Assistance Act, especially the following relating to research and training:

"In particular, emphasis should be given to research designed to increase understanding of the ways in which development assistance can support democratic social and political trends in recipient countries."

and that

"In order to carry out the purposes of this title, the agency primarily responsible for administering Part I of this Act shall develop systematic programs of in-service training to familiarize its personnel with the objectives of this title and to increase their knowledge of the political and social aspects of development."

(Section 281 FAA of  
1961 as amended 1968)

Suggestions contained under the Research and Training sections seem to provide assistance to the Agency in framing operational responses to these legislative directives. Yet beyond formal research and training activities it is believed that there is much which can be done to make the Agency more aware of and responsive to the wide range of new skills, attitudes, and demands stemming from Title IX.

The place to begin -- the point of entry, if you like -- is at the top. The posture of the executive leadership is of the utmost importance in setting the pattern for any organization. We believe that this may be especially true of a large and widely dispersed organization such as AID. If the leadership understands and takes an active interest in Title IX, the informal agency communication network -- the space age

'bush telegraph' - will soon "fan the word out" to the most remote missions. If executive understanding and interest is minimal, that word too will soon be transmitted.

Not only must senior AID executives recognize the broad implications of Title IX and so act as to make conscious consideration of the social and political aspects of each foreign assistance decision as much a part of their mental check list as are economic criteria; but it is also imperative that the executive leadership in the Department of State understand and be supportive of AID's role in responding to Title IX. For unless top leadership in State appreciate the nature of Title IX and the potential it represents for making more effective use of foreign assistance to achieve broad foreign policy goals, AID alone cannot hope to be effective in this area.

It should be noted that this dependence upon full understanding and support is of greatest importance in the field, for the Ambassador presides over the Country Team, prepares the Performance Evaluation for USAID mission leadership and in a number of other key ways has the ability to shape and control the 'thrust' of the USAID country program. Therefore, the Ambassador and his senior staff must be fully involved in all states in the planning and implementation of Title IX activities. It is believed that, to achieve this, the Department of State will have to be deeply committed to the objectives of Title IX at senior levels in Washington.

A special problem may be posed in some countries where non-career ambassadors are sometimes less responsive to Departmental injunction than is desired. While there may be cases which would require special attention, it is thought that many such 'political appointees' might be highly

responsive to the intent of Title IX and fully supportive of ATD initiatives in this area, precisely because of their political background.

Beyond the informal network of communication and the impact of executive attitudes which set the style and informal priorities within the system there are a number of bureaucratic pressure points which require understanding and attention in the Agency is to be oriented and geared up to understand and be responsive to the broader interpretation of Title IX suggested by this Conference. These include manifestations of executive intent and commitment to Title IX objectives in the form of revised program guidelines to the field missions. Such guidelines should stress the importance of providing analysis of the social and political context and implications of each program and each project activity within the program. These might be framed in the form of specific questions to be considered by each mission in program formulation. (See Instruments Section, Part IV) The importance of cranking Title IX criteria into the program guidelines cannot be over-stressed. Unless the guidelines require careful analytical focus on Title IX type questions, mission leadership is not likely to pay serious heed to the issues with which this conference has been concerned. If Missions do not concern themselves with Title IX, little will be actually done. For initiative in country program matters rests almost exclusively with the field and country programs which are the heart of foreign assistance. Missions have shown themselves to be, on the whole, less responsive to 'fad' cables and airgrams of special pleading than to program guidelines.

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Another pressure point within the bureaucratic sub-culture is the personnel evaluation system. As suggested in a later section, inclusion of questions in the Performance Evaluation Report designed to assess the qualifications and performance of the individual employee in areas related to Title IX sensitivity would have the double effect of requiring the employee to focus upon social and political issues in the conduct of his duties and at the same time would require that his supervisor seriously study the Title IX possibilities of the employees program or project and assess the degree of his effectiveness. If evaluation (i.e., promotion) panels were enjoined to give special emphasis to an employee's performance in Title IX endeavors this would have a positive effect in raising the priority of social and political analysis and sensitivity throughout the system. So also in establishing criteria for recruitment and training, for research, and evaluation, for Congressional presentations and in other critical bureaucratic areas where the real priorities of the Agency are spelled out.

Finally, in the matter of interagency coordination, we have suggested ways in which the Agency could make more effective use of the skills available within the Foreign Service by assignment of highly skilled FSO's to liaison positions within both the field missions and AID/W. If AID is to become an increasingly effective instrument of foreign policy, it is believed that increasing cross-fertilization between the Agency and State must be encouraged. This should be much more of a two-way process than has been the case in the past. Although we have not formally recommended it, it is possible, in time that AID officers with Title IX experience could be

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assigned and make a useful contribution to, Embassy Political Sections. Such exchange of personnel can be carried out under existing regulation, if there is executive will and determination.

In sum, we believe that Title IX affords the opportunity to improve the overall quality of the performance of the foreign affairs establishment in meeting the increasingly complex problems which the United States will have to face in the international system in the years ahead. The recommendations which follow are aimed at assisting AID to achieve that objective.

ORGANIZING FOR TITLE IX

I. Organization for Title IX - General Implications

A. Title IX may be a contributory reason for a more radical reorganization of foreign assistance, but it does not by itself require such a reorganization. It does require, however, immediate and incremental organizational changes in AID and STATE to carry out the congressional mandate.

B. This Congressional mandate exhorts AID to broaden its concept and writ to address the complex interrelationships of political, social and economic problems of growth, development and modernization. This broadening will be required in all elements of the AID organization - in the central policy offices, in the Regional Bureaus, and in the country desks in Washington and in the Missions overseas. It will be required of Program Offices and Planners, of technicians, and of Country Directors.

The AID country programming system will have to be revised to include Title IX analysis, criteria and indicators. Mission analysis and planning and Washington review of programs will have to be screened against the Title IX spectrum of human affairs.

Thus, in order to be effective, Title IX concepts will have to permeate the entire AID organization at all organizational levels. This permeation will have to be achieved by a massive information effort at the outset led by top AID management.

C. In the discussion below, three key organizational principles are identified: (1) That Title IX activities have a large State element that calls for maximum and continuous STATE-AID coordination at operating and policy levels both in Washington and the field (2) that Title IX activities are by necessity country-centered and all analysis and implementation should flow from the country situation, and (3) that operating discretion of the U.S. country mission should be accentuated and maximized rather than detailed policy and operational direction from Washington.

D. Four key Title IX functions are identified and discussed: planning and programming, program implementation and program evaluation. They are discussed in terms of their organizational implications both in Washington and overseas.

## II. Functions: STATE/AID Relationship

### A. Analysis

The only one of the four functions listed above related to Title IX which has been clearly and exclusively the responsibility of State in the past is analysis of political affairs in the host country. This is a vital Title IX function, however, and it cannot be assumed - in general or in any given country - that the nature and depth of inquiry required will be provided by existing staff.

Normal political reporting requirements tend to focus on a fairly short-time range and to look for indicators of changes in the host country environment mainly for their significance in international affairs, and especially in our bilateral relations with the country. This results in a concentration on the current activities of political parties and of explicitly political leadership. Other forces are analyzed, but mainly for their effects on these aspects.

A Title IX emphasis on AID programs will require a more comprehensive and larger term analysis of the implications of our deeper involvement in individual country situations. This will entail analysis in depth of local government and local organizations and their relationships to the central government and of possible economic, political and social consequences of Title IX programs both on the countries institutions and processes of politics and government. It will include attention to institutional developments and trends without a priori limitations as to subject matter of immediacy.

The political analytical function abroad is currently the responsibility of the political section of the Embassy and is performed by State Officers. Its product has been serving the needs of many agencies but it is of principal interest to State.

In Washington, the analysis function is the responsibility of the Bureau of Intelligence & Research (INR) within State and of the entire intelligence community for the Government generally. In respect to Title IX, however, this element of State provides a resource that is mainly of a country background sort. To provide operations-oriented analysis of the type called for by Title IX, INR would have to, as would the Embassy Political Section overseas, change both the nature and depth of its analysis.

INR and the other intelligence communities should be appraised of the Congressional mandate placed on AID for this Title IX political analysis. Should INR find it impossible to fill the AID need for Title IX oriented analysis, AID will have to create its own facilities as required by legislation.

Abroad, AID will also have to make its Title IX analytical requirements known to the Embassy. The Embassy might resolve the problem by assigning one or more State Officers to new positions within AID Missions above a given size. In some missions, these new positions may be added to a Joint AID-Embassy Economic Section or elsewhere to a newly organized Joint Political-Economic Section or a subdivision thereof concentrating on internal country developments.

The advantages of this type of solution are twofold: (1) building on this existing foundation by additions or redirection of State-AID analytic staff and resources enhances Title IX coordination in the U.S. community rather than creating competitive forces, and (2) there should be an immediate gain in quality flowing from this combination of closely relating tasks with a minimum additional staffing cost.

The same comment, however, applies for the overseas community as it does for the Washington Community. That is, if STATE cannot provide the analytical resources needed by AID for the Title IX function, then AID must provide them through a combination of new recruiting and in-service retraining of qualified AID personnel. (The implications of the latter are discussed in depth in the Recruiting and Training Committee report).

#### B. Research

Closely supportive of country oriented political analysis is the research function. The native and alternative sources of this research are discussed in the separate Research Committee report. We would like to emphasize in this organizational document, again, the need for close coordination on Title IX research between AID and STATE both in Washington and the field. Decisions to undertake research in support of Title IX regardless of which U.S. agency will finance it, should flow from a coordinated field appraisal of need. The field appraisal and resulting choices of technique will vary greatly from country to country depending on the amount and quality of existing private activity (both national and foreign), feasibility of alternative in-house analysis, potential policy consequences and receptivity of the host government. The responsibility of INR in operating the Foreign Area Research Council, the scope of which extends to all U.S. government sponsored research abroad, should be kept in mind. This council was established to both avoid duplicative and unnecessary research and to take account of growing sensitivity in foreign countries to U.S. research activities. These factors will demand increased attention in the future as Title IX data requirements increase. Through its External Research Staff INR also maintains information on private research in foreign areas and can respond to questions about the inventory of past and current research activities.

C. Programming, Implementation and Evaluation of Title IX Activities

These three dimensions of aid administration are applied to all AID activities: i.e.,

--deciding what to do, and how much, and why.

--doing it, and

--appraising the actual results in order to decide what to do next.

Primary responsibility for guidance and review of programming and evaluation rest with the AID mission Program Office, operating under the direction of the Mission head and policy guidance from AID/W.

Since Title IX purposes should, like the economic growth objective, permeate the entire AID program or at least any aspects of the various activities to which Title IX considerations are relevant, these purposes should be firmly embedded in AID's programming doctrine and conveyed through its programming processes, or else they will have little effect on what AID does. This requires strong training in the programming implications of Title IX for AID's program officers and the establishment of suitable programs, doctrine, guidelines, and so forth. Specific planning for the pursuit of Title IX purposes in individual activities should flow from the country analysis discussed above, with State having strong advisory participation because of the significance of this function for overall U.S. policy and its sensitivity to host country relationships.

Having established suitable activity targets in the Title IX sphere via AID's programming process, implementation will naturally pursue these targets and program evaluations will appraise actual program impacts against these individual targets and also in terms of significance of these results for any broader Title IX purposes stated in the programming documents. In appraising Title IX effects, the "how" and the "why" of what has happened will be particularly important and call for strong capabilities for analyzing political and other institutional development.

To make this standard sequence of programming, implementation and evaluation effective in pursuing Title IX purposes, however, an understanding of Title IX purposes, principles and action implications should permeate AID atmosphere--not just the program offices. The individual technicians and all the TechDivision chiefs should be continuously aware of Title IX implications to everything they plan, do and see. The planning of a road project may be fundamentally affected by Title IX principles in contradiction to economic, financial or technical criteria. A public administration project may be executed in a different, and maybe slower and less inefficient manner, if Title IX popular participation principles are used rather than strict technical guidelines. An education or public administration project may be a success in strict technical terms but may have an entirely different meaning or effect if viewed through Title IX goals and principles. Thus a school building project may be a technical success in that the school was planned, funded and built as planned. However,

a Title IX analysis may reveal that the school was planned and built by the central ministry with no local participation in the project planning or execution whatsoever and only lukewarm local interest in the finished product.

As in programming for Title IX (including planning of implementation), State elements should participate appropriately in evaluation or evaluation reviews of actual Title IX results. This will harness State's analytical capabilities, and will give STATE the feed-back that it needs to guide its participation in programming for Title IX, as well as valuable incidental intelligence for its overall appraisal of country developments in relation to U.S. foreign policy interests and operations.

### III. Modification of Existing AID Organization for Title IX.

A. To implement Title IX effectively in AID Washington few basic organizational changes are necessary. What is needed in AID is a thorough understanding throughout the structure of AID's role in responding to Title IX, the nature of Title IX and its effect on current operations and the potential that Title IX represents for making more effective use of foreign economic assistance to achieve broad U.S. foreign policy goals.

This change of attitude towards and understanding of Title IX must begin at the executive leadership level. Not only must key staff understand Title IX and its implications themselves but there must be a continuous and constant effort by these officials to assure that their staffs fully understand the concepts involved and utilize them throughout the program planning and implementation process.

The few organizational changes required and recommended in Washington are discussed below at three hierarchical levels: central staff, regional bureaus and country desks.

#### B. Central Staff - PPC.

The Policy and Planning Coordinating Staff, Title IX Division, should be responsible to the AID/Administrator for central Title IX policy formulation and coordination. This function includes the drafting, clearing and issuing of agency-wide Title IX policy documents; the review of Title IX implementation on a country by country basis from the central staff point of view for the Administrator; helping to design and operate agency-wide Title IX training programs and conferences in coordination with the AID personnel office; coordinating agency-wide Title IX research policy and programs and responding to Congressional Title IX requirements.

While this office would remain small, it must have sufficient highly qualified staff to accomplish all of these functions and also maintain close liaison with appropriate offices in AID and State on Title IX matters. Probably at least seven professional positions plus supporting clerical staff would be the minimum needed: 4 professional analysts (one assigned to monitor each Bureau plus Vietnam), 2 professionals responsible for world-wide Title IX training programs and reporting requirements and one to monitor research policy and operations.

#### C. Regional Bureaus.

The second level of AID/W Title IX activities would be centered in the regional bureau under the authority of the Regional Administrator, preferably within the regional Office of Development Planning. This office would insure that program planning within the region includes appropriate Title IX considerations. It will work closely with the Bureau country desk

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officers in this respect and participate in the country analysis of proposed and on-going projects. An important part of this function will be educating the country desk officers on the proper role of Title IX in particular countries. Another basic function of this office will be that of Title IX coordination and liaison. It will serve as the regional focal point for implementing Title IX policy emanating from the PPC Title IX office and be responsible for helping prepare Congressional responses on regional Title IX questions. It will also coordinate regional Title IX activities with the State Regional Planning Officer, with State INR and with DOD (ISA), CIA and other appropriate government agencies at the bureau level.

In addition to reviewing country programming plans for Title IX inputs, the regional planning office will have an important responsibility in suggesting, encouraging, coordinating, monitoring, evaluating and disseminating research related to Title IX activities. Here again liaison with the desks (both State and AID), INR, the Foreign Area Research Council, DOD and other agencies will be important. In regions having a development advisory group (e.g. SEADAG in East Asia), it should maintain liaison and help coordinate its activities. In regions not now having such advisory groups, their establishment should be considered. (The Title IX function in regional bureaus of AID may on occasion be performed by officers detailed from State).

As another possible bureau organizational alternative, the Latin America model may be used. The Coordinator for the Alliance for Progress has assumed a deep interest in the development of Title IX concepts and operational guidelines. The Chief of the Planning Division was initially designated to supervise the Bureaus' responsibilities for Title IX. Since Latin America's commitments through the Social Progress Trust Fund and the Alliance are greater than the obligations imposed by Title IX alone, it was deemed necessary to establish a full-time position in the Office of Institutional Development to take care of these concerns.

The arrangement was sufficiently productive to cause the Bureau to elevate the responsibility to the level of Deputy Assistant Secretary for Social and Civic Affairs. The Office of Institutional Development which includes all technical services backstopping functions in agriculture, health, education, public administration, etc., has been assigned to this official to carry out his duties. The role of this office encompasses more than just Title IX, but it was set up as a result of Title IX to implement the amendment as a coherent integrated part of the development process. Title IX has been given greater visibility, an enhanced operational scope and significance for the Bureau as a whole.

D. The Country Desks.

The third level is that of the country desk officer. It is at this level that Title IX must become operational on the Washington end. To achieve this effectively desk officers must not only be aware of Title IX and its meaning but must be able and willing to implement it where appropriate. This will require a much wider spread of Title IX knowledge and initiative throughout the Agency than exists at present. The country desk officer in responding to field proposals, analyzing programs and evaluating results must put Title IX into effect. Coordination for this purpose should be maintained with the AID regional planning offices, the State Country Directors, and appropriate country level officials in DOD, CIA, and USIA. It is the desk officer's responsibility to work Title IX into the country level, multi-agency planning mechanisms.

#### IV. AID-STATE Coordination

##### A. Overseas

Coordination is a much-abused word, but it describes a need which existed, quite aside from Title IX, for a closer connection between US Embassies and AID. The need arises out of problems of sharing information within complex organizations. Title IX concepts call for an even greater positive involvement of the Ambassador and his staff in AID programs. The operations of an AID mission present numerous opportunities from STATE's viewpoint. First, AID officials and technicians in direct contact with host country nationals and officials acquire a great deal of information and insights into the local environment. This is not now systematically fed back to the Embassy for its analytical value. If it gets to the AID Mission Director, it may have passed through the hands of several persons who are not primarily trained or staffed to evaluate its significance outside of their special fields. They and those who acquire such information, nevertheless, "store it" neutrally for later retrieval and it comes to influence action in ways quite unrelated to similar information available from broader sources. The result is a tendency for divergent estimates of the situation in the host country to develop between different parts of the U.S. mission, and even within technical sectors or other strata of the AID Mission.

Second, inputs of STATE political analyses to the operating levels of AID and other agencies are difficult to achieve, and probably have not been adequate in the past. Primary reliance is placed on the numerous and various staff meetings for conveying the views of the analytical sectors of the Embassy to the operating missions. Besides being oral, and therefore superficial and subject to error in transmission to and through subordinate echelons, these communications are primarily on questions which the originator regards as most important. They may respond also to the needs of senior AID staff, but they do not necessarily meet the needs for political guidance of the working level technician. Finally, being conveyed in a semi-formal atmosphere, they usually lack the frankness and pungency that might be possible through face-to-face communication of working partners.

Third, regardless of the care exercised in planning, programming and negotiating with host governments, political problems do arise throughout the life of an AID project or agreement. Often these are either dealt with as if they were technical problems, or ignored as "extraneous" until they reach crisis stage and must be referred to the Country Team level. It is undoubtedly true that many such crises should be prevented from going that far, or dealt with at any earlier, more manageable stage if they were promptly detected and analyzed in the light of overall political conditions.

B. The Country Team Approach

Three situations have been viewed above from the point of view of the working level staff. They can also be viewed from the vantage point of the Ambassador, the Deputy Chief of Mission, and of the AID Mission Director. Heavy reliance is now placed on coordination at the executive level, partly because it turned mainly, if not exclusively, on the primacy of the Ambassador over the several "independent" agencies operating abroad. This was a necessary first principle, but inadequate by itself. The remaining problem is that of coordinating at the working level all the business which cannot possibly deserve the time of the Ambassador or his immediate deputies.

The companion and loose doctrine of the Country Team does little to remedy the situation. In large missions, where the real problems of command and control exist, none of the principal representatives of U.S. agencies can personally carry out the detailed coordination required. Thus, the top executives who have the broad overview needed to coordinate interagency operations generally lack the time; those who have the time and detailed knowledge lack the breadth of information or outlook. Moreover, the Ambassador who is trying to exercise a firm yet sympathetic direction of massive assistance programs often lacks the advice he needs on the political implications and effects of programs being considered or implemented. These include programs of DOD, Peace Corps, and USIA which also have Title IX implications and effects.

These gaps need to be closed by devising some kind of interconnection at the working level, between the Political Section and, especially, the larger AID missions. The problem might be resolved in a number of ways. Within the present operating concepts, it is probably best met by assigning one or more State Officers to new positions within AID Missions above a given size. The second major organizational alternative is for AID to recruit and hire or train its own Title IX political development officers and assign them to AID Missions to carry out the analytical function central to Title IX planning. The problems of duplication and competition of effort are obvious in AID having its own political planning officer. The necessity of close coordination with the Embassy Political Officer will be prime requisite regardless of whether the "long term vs. short term political analysis" argument is used in attempting to explain away the duplication.

The current and probably continuing financial and employment cutback of foreign aid programs also argues against AID mounting a campaign to recruit for new positions on a world wide basis. Possible retraining of qualified AID employees for Title IX analytical positions may be the only feasible alternative to utilizing State Officers for this function. At any rate, AID has been given the Title IX job and if STATE cannot provide the needed resources, then AID must do so, either by recruitment of new personnel or by retraining current personnel.

C. Interagency Coordination - Washington

The increased emphasis on Title IX will require less innovation in Washington operations than in the field. The principles of interagency coordination are well-established and the machinery for carrying out this is in use if somewhat haphazardly. Even allowing maximum scope for field discretion, one can expect that Title IX will impose new burdens, perhaps even strains on these arrangements. To the extent that they are now adequately tested and used, this should be all to the good.

Each of the field functions has its counterpart in Washington, except that the different levels and sectors of division within agencies create complications: In Washington there is greater need for uniformity in allocations of responsibility and greater opportunity for it because of the tendency of bureaus within State to standardize certain tasks.

Undoubtedly State will require, as a counterpart to AID bureau-level offices responsible for Title IX and related activities, a central point of functional specialization to whom each regional assistant secretary can look for information and advice across the board. This relates most closely to the planning-programming function abroad, and may enter also at the stage of regional evaluation of Title IX effects. Each regional bureau in State has a regional planning officer who would be the logical person to fill this role. He is a link for planning purposes not only between his assistant secretary and the Country Directors and Officers, but also between these bureau levels and their counterparts in AID and the State Policy Planning Council and especially its regional specialist member.

At higher levels, the Country Director reports to his Assistant Secretary who can, if necessary, make Title IX activities the subject of Inter-Departmental Regional Group (IRG) or Senior Interdepartmental Group (SIG) consideration. The purpose of careful organization at the country level, however, should be to minimize the need for such appeals to higher authorities.

#### V. Organizing Principles

A. In summary, these organizational principles and arrangements flow from the discussion and are proposed:

1. Title IX activities must:
  - a. be country-centered
  - b. afford maximum discretion to field
  - c. proceed under coordinated leadership of the Ambassador in the field and the Regional Bureau in Washington.

2. Field functions should be allocated

- a. primarily to State (which needs to adjust its focus)
- b. primarily to AID as to other functions
- c. at working levels (and not for Title IX alone) as well as country team level for these reasons:
  - i) acquisition and feedback of non-technical information available from technical operations
  - ii) provision of information to technical operators on general environment of country
  - iii) obtaining early warning of political problems arising in implementation of programs and preventing them from becoming crises.

If State cannot, for any reason, assume the additional functions implicit in the above, then AID must provide the human resources of skills necessary to do the job.

3. Washington functions need

- a. coordination at each stage
- b. use of State (INR) resources for analysis (research)
- c. involvement of State (Policy Planning Officers in each regional bureau) resources in planning, programming and evaluation.
- d. interagency allocations for action parallel to field.

B. A chart showing the allocation of these functions between AID and State follows:

ALLOCATIONS TO STATE OF RESPONSIBILITIES  
 FOR TITLE IX FUNCTIONS

Nature of Allocations In

	<u>Field</u>		<u>Washington</u>	
	<u>Action</u>	<u>Advice</u>	<u>STATE</u>	<u>AID</u>
Country Analysis (incl. country research)	*1. State 2. AID	AID	Country Director **ACTION-INR Resource	*ADVICE PPC-BUREAU-DESK
Planning-programming	AID	State	Country Dir-Cord Reg. Planning Off.	***ACTION PPC-BUREAU-DESK
Implementation	AID	State	Country Dir-Coord	ACTION PPC-BUREAU-DESK
Evaluation	AID	State	Country Dir-Coord Reg. Planning Off.	ACTION PPC-BUREAU-DESK

\*If State cannot provide analytical resources, AID will have responsibility.

\*\*The intelligence community contributes to this process via INR.

\*\*\*This includes DOD concern re mutual security based on legislative back-ground.

Organization, Research and  
Training  
Research Sub-Committee Final  
Report  
July 27, 1968

*Planned  
by  
Wiggins*

INTRODUCTION:

Title IX research as conceived by this Committee covers three kinds of matters:

1. <sup>*area - country*</sup> ~~(Basic)~~ research: designed to explore elements, forces and trends in the developing countries that bear upon Title IX concerns. ("What is the situation in the country that interests us?") This sort of inquiry can be conducted by U.S. nationals, both inside our government and in the external research community, and by host-country nationals, with or without the collaboration of U.S. social scientists.

2. Program and project research: i.e., research done to determine feasible means and probable outcomes of U.S. activities in developing countries that are designed to promote Title IX objectives or to minimize effects from our other activities that are incompatible with such objectives. ("How can we work most effectively to meet Title IX criteria?") Although this kind of operationally oriented exploration can best be done inside the U.S. government (in both Washington and the field), outside investigators, U.S. and host-country, may be involved in it as appropriate.

3. <sup>*Project analysis*</sup> ~~(Evaluative)~~ research: i.e., research undertaken to assess the impact and effects in Title IX terms of U.S. on-going or completed projects and programs in the countries of the developing world. ("How well have we done in meeting Title IX objectives?") For maximum usefulness, such evaluations should be done by U.S. government personnel, in the field and in Washington, although it may be salutary from time to time to call in external evaluators.

We stress that research of kinds (2) and (3) is dependent upon research of kind (1), and we urge that the capability of State/AID be substantially increased both to foster and to sponsor kind (1) investigations and to utilize the results of those investigations more effectively (through the training of translators of them into operationally useful terms and through the setting up of more adequate storage and retrieval mechanisms.) Where Title IX is concerned, a much closer relationship is called for between State/INR--and, more broadly, the U.S. intelligence community--on the one hand, and AID/Washington and the field on the other.

We think it well to repeat here something stressed elsewhere in the body of the Conference report, namely that where Title IX considerations are involved, time perspectives customary for AID programming and evaluation must be substantially increased. Basic research projects of the sorts required may need years to complete. Also, evaluation of AID programs for their Title IX effects is something to be undertaken within lengthened time perspectives, not only because such effects are very difficult to determine, but also because the effects from a Title IX input usually will emerge only over a fairly long period.

### Basic Title IX Research Topics

The range of matters that can appropriately be researched as having Title IX relevance, either direct or at a remove, embraces almost the full gamut of social science concerns--from psychology to geo-politics, small group or small firm studies to political or economic systems studies. What is desired in a Title IX study, however, and that which should distinguish it from straight academic research is that it be problem oriented:

Where in a given congeries of factors and elements does a Title IX-relevant difficulty lie? Where is an access point to that difficulty? What might be done, through available host-country and external resources, to alleviate or resolve that difficulty? What are the anticipated costs--social, political, economic--of the foreseen alleviation or resolution? The anticipated benefits? In other words, description and analysis, however precise and elegant they may be, are not in themselves adequate for Title IX research because Title IX is oriented toward action, program, operations. Moreover Title IX is geared to a key notion, participation and Title IX research should focus on features of host-country environments that impede or facilitate participation of the three kinds identified in the body of the Conference report, namely participation in decision-making, decision-implementation, and benefits derivative from development.

What follows is an illustrative setting out of what we take to be appropriate Title IX research topics. We are not unmindful that the topics, in one sense, are all quite familiar to AID staff and line officers. We believe, however, that these are topics that require much more intensive investigation than they have till now received, and that the kinds of near-impressionistic grappling with some of them that has been characteristic of AID programming in the past (cf. AID LAS, Order No. 1022.2 of August 27, 1962) are not adequate to the requirements of Title IX.\*

1. Compare the performance in selected countries of local governmental units before and after they have acquired significant local taxing authority. (This would demonstrate to ourselves and host-governments the utility and liabilities in different countries of devolving taxing authority to local bodies.)

2. What have been the effects on rural political tensions of rapid agricultural innovation?

(This would help us and host governments to know more precisely the political and social consequences of such innovations, consequences with which the governments may have to deal.)

\* Numerous research needs and targets are noted in the text of preceding chapters, especially the chapter on "Concepts and Assessment".

3. What have been the political and economic consequences of expanding participatory processes (however defined) in major urban centers and towns. (Title IX assumes that good results flow from increasing "participation." But we have little idea of the gains and costs in specific country contexts in terms of economic growth, public order, group frictions, rising demands, new political organizations, etc. This is a problem fundamental to all Title IX activities.)

4. Examine in a number of countries (e.g., Vietnam, Thailand, India, Brazil, Chile, Tunisia) popular and elite conceptions of governmental legitimacy, in order better to understand what steps governments might take to win and maintain popular and elite approval.

(Governments considered legitimate by their peoples are presumably better able to innovate and promote participation than those that are not. And Title IX presumes that if governments introduce Title IX-type activities, they will gain legitimacy. But in different cultures governments acquire legitimacy in different ways (some by the mystery of rule, others by panoply or possession of the palace, others by their ability to demonstrate control and order, others by the services they perform and the constitutionality of their coming to power))

5. What changes in class and other stratification composition have occurred in selected countries during the past decade? Which groups have risen and which have declined? What economic, social, and political innovations have favored and impeded these changes? How have U.S. activities (State, A.I.D., USIA, U.S. business) affected these changes?

(Title IX instructs us to work for increased participation in the interests of forwarding democratic changes. Answers to the above questions would identify changes already taking place and assess how U.S. activities affect these changes, thereby increasing State/A.I.D. understanding of the scope and intensity of U.S. influence.)

6. In selected countries, how adequate are information flows, both to the government and to the citizenry? Is the government communicating as effectively and honestly as it might with its public? If not, how if at all might it be assisted to perform this function better? Are the media, to the extent of their capacity providing the people with adequate, objective and comprehensive information about matters of national and local concern?

(Title IX assumes that a society cannot be a wholesomely participant one in the absence of an informed, responsible public. Officers in State/A.I.D. will find it useful to know in some specificity what factors and forces impede the dissemination of information in order that they may advise and program for improved performance.)

7. In given country situations what have been the political and social costs of inflation? Of stabilization programs?

(Title IX obliges A.I.D. to pay much more systematic attention to the non-economic consequences of all its programs and projects. This study, which would be of use to other agencies as well as A.I.D., should provide vital information on a particularly difficult issue.

Also it should show us whether cross-country generalizations about this question are valid. Do societies differ markedly in their political and cultural capacity to live with inflation? with austerity?)

8. How effectively are locally initiated and organized projects incorporated into the broader institutions and processes of politics and government?

(A.I.D. recognizes that "community development programs" cannot achieve more than very limited success in political environments that are indifferent or hostile to them. This study, conducted in specific countries, would provide needed information about the adequacy and shortcomings of linkage mechanisms between local efforts and other hierarchically superior power elements.

Out-of-House Research

1. Advantages to State/AID of Out-of-House Research

a. Many Title IX programs imply a depth of understanding of the processes of socio-political change in LDC's which require the application of more sophisticated developmental theories than are normally available in-house;

b. Title IX programs require deeper knowledge of particular country situations than is likely to be available in-house, except among those relatively unrewarded individuals who stick to one country for a long time, either in the INR side of State or in certain technical assistance fields. Such country specialization is more likely to be found among academic country specialists than in most operationally oriented contract research organizations, but even here, too, country specialization is considered less important now than a decade ago. Accordingly, country-specialists are rare. 

c. Academic and other out-of-house researchers are often more able to work in easy collaboration with local academic and research institutions on Title IX research than mission personnel since locals will be more reluctant to collaborate in joint research if it requires working directly with the U.S. Government.

d. Because of (c), outside researchers are more promising if one objective is to improve indigenous capability, though no doubt some direct contracting can also serve this purpose.

e. The more research is done through academic institutions, the more attuned will they be to State/A.I.D.'s development problems, and the more their own teaching and research will focus on State/A.I.D. concerns. This will improve the intellectual capital available in the country to assist both private and public development activities and raise the level of public understanding of these matters.

2. Some conditions for successful out-of-house research:

a. Relevance: How can State/A.I.D. ensure that out-of-house researchers will focus on questions germane to State/A.I.D.?

The answer to this question depends upon (i) State/A.I.D. having capable staff able to identify and define questions the answers to which are researchable and will be relevant, (ii) upon the care with which questions are defined in advance in consultation with researchers, (iii) the ingenuity of State/A.I.D. staff in spotting those interests of academic or other researchers which are potentially of interest to State/A.I.D. and upon the conscientiousness of the researchers.

State/A.I.D. expectations must not be inordinately high for the quality and operational usefulness of much Title IX research. Title IX opens for research a number of frontier areas in which social science competence is not well-established, and a number of inconclusive or operationally disappointing studies must be anticipated. This judgment is independent of considerations of the research competence or lack thereof of investigators. State/A.I.D. of course will do all possible to avoid contracting with professionally mediocre institutions and persons. But even the most capable scholar will find some Title IX research challenges beyond the reach and skill of his discipline and its analytic tools.

b. Accessibility of results to State/A.I.D. operators and policy makers: Since the results of out-of-house research will not always be in a form to be readily absorbed by the bureaucracy, State/A.I.D. should have a highly qualified staff of operation-minded social scientists as "translators" or two-way communicators, analogous to some of DOD's intermediary staffs

c. Time-frame: Historically, A.I.D.'s time frame for research typically has been ~~about one budget year cycle~~. *two or three* But ~~much solid~~ *significant* research on tough questions may take 3 to 5 years before the results are in. Unless there are better mechanisms to sustain State/A.I.D. commitments to specific research, agency interests and priorities shift (often as individuals wind up tours of duty) so that the agency is no longer effectively receptive to the policy implications of completed research.

d. Management and operations: In addition, there are the familiar issues of:

(i) organizing to jointly shape and select among research proposals. Alert staff with authority to encourage early-stage proposals and joint inside-outside professional advisory panels to review and select among nearly completed proposals are necessary. The latter should meet frequently enough to minimize delays at the last stage. (four times a year is not frequent enough).

(ii) supervising projects along the way - this requires a nice balance to be sure the researchers are still on target, yet leaving them enough authority to change specific questions, staffing and even methodology if they deem necessary for optimal results;

(iii) relations with Embassies and A.I.D. Missions present special problems if some of the research is to be overseas. There might be a systematic study of experience already acquired to see how best to overcome the most usual difficulties.

(iv) publications: Since time of the highly qualified scholars is very scarce and publication is important to academic satisfaction and reputation, publication of results must be allowed for. In some cases, a classified version might be submitted and a sanitized version issued later. But this should be the exception, since the academic community is increasingly dubious of such involvement and host country reactions are increasingly sensitive to such research activities. There can be no substitute for good judgment and tact on the part of researchers and State/A.I.D. on this matter.

Note: An important point in both (iii) and (iv) above is the substantial stake the U.S. Government has in making it possible for American researchers to continue their activities abroad without becoming too closely identified with USG activities. Hence, Embassies and Missions and State/A.I.D. are well advised to avoid restricting researchers too much, or taking responsibility for the results of research which in fact occurs if they give too much specific guidance.

e. There should be assured means for reporting back to collaborators in the host country reports of results. Only in this way can host governments and associates feel they are not being exploited by U.S. researchers, and it is one of the ways for developing that network of professional associations which is a Title IX objective defined for NGO's.

f. Care must be taken to ensure that the few English-speaking and highly qualified indigenous social scientists are not overburdened by too many visiting American researchers. This can be dealt with through U.S. regional scholarly associations, grant-giving agencies and field missions.

### Host-Country Research

In a number of the developing countries in which the United States has a Title IX interest, social science research capability is substantial or is increasing rapidly. Host-country nationals are now producing studies of direct and indirect Title IX relevance. The capability of A.I.D. and, more broadly, the United States Government effectively to use these research products, however, is quite inadequate. "Information overload", of course, is a problem for Washington and the field; but we urge strongly that more systematic efforts be made to factor research by host-country nationals into policy, program, and project formulation and implementation.

Indeed, we go beyond that to suggest that A.I.D. deliberately and forcefully encourage research in the Title IX area by host-country nationals. The reasons are several:

(1) Research done by host-country nationals provides information, interpretations, and extrapolations that (a) augment and supplement the research available from U.S. public and private sources, and (b) provide alternative assessments of country situations--for the perspective of a host-country national frequently leads to evaluations of phenomena that differ from those of U.S. researchers. The national has an awareness of cultural nuance and national ambience that the U.S. researcher only rarely possesses. Also it is undoubtedly true that the host-country researcher can gain some kinds of access and gather some kinds of information that Americans cannot.

(2) Research conducted by host-country nationals provides information to the host-country government and other elements of the society that might not otherwise reach them. It is not only that the results of much research conducted by Americans are carried back to the United States by the American researchers and written up to meet the requirements of the American academic community; it is also that not infrequently the results of research done by host-country nationals is better received in the host-country than the results of research done by Americans. Since Title IX is an orientation that ultimately is to affect the host-country, i.e., since Title IX has to do with modifications of host-country institutions, attitudes, values, and behavior, it is important that Title IX research be available to, and received by, the host-country.

(3) Title IX research will be a continuing requirement in the developing countries even after A.I.D. has phased out its operations within them. A.I.D., therefore, should help to develop appropriate research skills through support of both research institutions (in universities and elsewhere) and promising research persons.

#### Who Should Do the Research?

The obvious category of persons to do Title IX research is that of the community of scholars, both those already trained in the social science disciplines and those who can be motivated and prepared, under A.I.D. or other auspices, for Title IX research activity. Here, however, it may be appropriate to introduce a cautionary word. Many social scientists in the developing world today have either been trained or are being trained in United States academic institutions. To the extent that these social scientists are working under the guidance and close supervision of United States social scientists, they may adopt an inappropriate reference group. In other words, they may be conducting their research to please academic mentors from the United States rather than to meet the requirements of the specific host-country situations in which they find themselves and of which they are parts.

In the United States what we may call "applied social science" (e.g., public administration) still does not enjoy the intellectual prestige of "pure social science" (e.g., the quest for generalized social or political science theory.) Moreover, in the United States, social scientists by-and-large remain uncomfortable with basic systematic change, continuing to manifest a strong bias toward equilibrium theory: change within a system is easily accommodated within our theoretical formulations, change of a system causes us intellectual distress. Our own history, in which meliorism and incrementalism have played such large parts, substantially accounts for the bias (as well as our indebtedness to Max Weber and Talcott Parsons). In the developing world, by contrast, radical change is viewed as a necessity by many of that world's most vital and potentially most important political elements.

*criticism*

What needs to be urged, therefore, is that U.S. scholars recruited by A.I.D. for the training of host-country nationals in the social sciences be preoccupied by the question, "Knowledge for What?" The answer to the question has to be, if the training is to be most fruitful in Title IX terms, "Knowledge for action, action in pursuit of socio/political transformation." Given scarce intellectual and other resources in the developing countries, given the need for truly profound change, it is very difficult to justify U.S. government support of U.S.-directed training and research in what, as far as the developing countries are concerned, can be considered "art for art's sake" in the social sciences. Such support is not only wasteful, it is also likely to lead (the case can be made that it already has led in some Latin American contexts) to intellectual effotism and diletantism--research for some of the ablest and most imaginative scholars may become a substitute for action, for involvement. Since the perquisites that attach to one in consequence of his joining the inner circle of what George Santayana called "the international aristocracy of fine minds" are great, the seductive appeals of American social science to the emerging social scientists of the developing world are very real. But what Title IX purposes are served by research that does not lead to implicit or explicit action proposals. What purposes for the host-country are served by U.S.-trained social scientists who are content to travel the international circuit, or get their satisfactions from a permanent connection with Harvard, Oxford, or the University of Paris?

There is, of course, another, related undesirable possibility. It is that researchers trained under A.I.D. auspices, either in the host-country or in the United States, will upon the completion of their training or soon thereafter be co-opted by a host-country status-quo-oriented government or by that government's "establishment." Those in a host-country who are strongly committed to the preservation

of present dispensations--with their inequities and potentially explosive components--are not necessarily those best qualified to produce research appropriate to Title IX activities, even when on other grounds they are prepared to undertake it. By the same token, researchers in a host-country who are most friendly to the United States will not necessarily produce the most reliable research in the Title IX area.

In the preceding paragraphs we have assumed that host-country researchers can be engaged and supported by A.I.D.--or other U.S. Government agencies--for Title IX studies. This assumption we believe is valid for many societies in the developing world. We recognize, however, that it is far from being universally valid, and we would advise great sensitivity on A.I.D.'s part in approaching potential host-country researchers.

In the first place, some regimes are opposed to the participatory thrust of Title IX and would be little disposed to tolerate A.I.D. sponsorship of Title IX research that could be interpreted as reflecting adversely on the performance of these regimes.

Beyond that, it is necessary to keep in mind the risks to his own reputation a host-country researcher may run through accepting an association with an element of the United States Government. Anyone who accepts A.I.D. support must expect to be attacked by some elements in his society. He must weigh the costs of such attacks against the support he may receive from others of his peers as well as the intrinsic benefits he sees for himself and his society in the proposed research itself.

We think naturally of trained social scientists when we think of persons who should do Title IX research. It may be useful, however, to consider other categories of persons. If an additional payoff--payoff in the form of Title IX-relevant recommendations--is desired from Title IX research, thought might be given to those who are most likely to play active political roles in their societies. Lawyers, for instance, make up a group that in most developing societies has a strong political interest. A.I.D. could look to this group for a Title IX contribution, making efforts to involve in relevant research efforts lawyers who are about to be graduated or who have been very recently graduated. Indeed, Title IX research might well be made an integral part of law school curricula where conditions permit.

It might also be useful to think of encouraging representatives of other, less-favored groups--recent urban in-migrants, labor, peasants--to begin to do some of their own research, to ask their own questions, acquire their own range of skills and knowledge. There is a

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direct Title IX benefit from this in the form of giving such  
representatives confidence in their ability to examine and interpret  
their social and political environments--this is clearly a relevant  
civic skill. There will frequently be a further payoff in information  
terms.

Risks and Problems:

The principal risk that is run by our involvement in research abroad, whether done by our own or host-country nationals, is that the research done will not be seen to be in the interests of the host-country. One device that has been found successful in countering this risk is to ensure that all products of the research be prepared and published in two versions, one written by the host-country nationals and published with the needs and priorities of the host-country in view, the other published in the United States for the use of U.S. nationals. The data used are the same in both cases the costs of publication or both products are assumed by the funding agency or agencies.

Or alternatively, at least as far as AID is concerned, it may be possible to publish the study in the host-country alone without a special edition being prepared for the United States. This would increase the likelihood that the research product would be identified with the host-country and its interests: moreover, as noted earlier host-country audience receptivity is often--not always--greater for a host-country product.

It cannot be urged too strongly that basic research of the kind recommended here be unclassified. Not only does the classification of research lend an arcane, conspiratorial cast to research activity, thereby increasing host-country suspicions and fears; also, the results of Title IX research should be disseminated as widely as possible in the host-country in the hope, if not always the realistic expectation, that they will lead to constructive Title IX responses on the part of host-country governments and other elements.

Financing

Although current U.S. balance of payments difficulties impose serious limitations on the amounts of dollars AID can devote to research activities abroad, there is adequate statutory authority to permit the use of host-country researchers for Title IX purposes. Moreover, our foundations and other private sector organizations working overseas can be encouraged to promote host-country investigations of the kinds indicated. Finally, every effort should be made to involve host-countries themselves, in their public and private components, in the funding of Title IX research. Where counterpart funds are available, they can be used. Joint financing on a matching-fund basis can also be promoted.

It is evident, of course, that such joint research ventures cannot be mounted except when the proposed research is not seen as threatening to the host-country. Or, to put it differently, they can be mounted only when the proposed research is believed by host-country nationals to be fully consonant with host-country interests.

*IN-HOUSE RESEARCH*

*A. Special advantages of in-house research for Title IX.*

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a. Sensitivity of Issues: Title IX objectives often touch upon issues which, in terms of formulating or reassessing U.S. aid strategy, may be sensitive with host countries. Particularly sensitive is research which may imply (erroneously in most cases) by its initiation that a reassessment of AID objectives and strategy in a particular country is under way. In these cases, researchers on the mission staff or from within the State or AID organizations are less conspicuous and do not require elaborate explanations to the host country. They are, as they should be, a normal and continuing part of our operations in relation to assessing our programs in regard to the objectives of the Foreign Assistance Act. Such researchers also have access to classified material and are thus in a position to understand more fully the mission's position.

b. Relating Research to Operational Problems: One problem often complained about by AID is that academic research does not have "operational relevance". The problem can be expected to be greater with regard to Title IX. In-house researchers, familiar with AID needs and operations can both work to translate academic research into operationally relevant recommendations and carry out themselves research that will be geared to operations.

c. Career Incentives and In-Service Training: To develop and hold staff capable of research and analysis in this area of development, AID should offer opportunities for research and analysis experience and opportunities for professional development and recognition while in AID. Research works in this area will also increase staff sensitivity to Title IX dimensions of development, which is one of the key requirements for implementation of Title IX objectives.

2. Who Should Do In-House Research

a. The State Department should be involved in a major way. The State Department, through INR, should become the major coordinator and memory-bank for research and material related to political and social development overseas and the ways in which AID and other U.S. programs affect this development. The information in INR should be available to State, AID and DOD researchers in this field. This will require more funds for INR and a major change in its outlook and function. Until this takes place, close coordination of AID and State should take place in planning and financing research in these areas and the storage and making available of the results.

b. Joint research by AID and State, and DOD personnel should be encouraged to give broader dimension to the research and to promote more inter-agency understanding and cooperation with regard to Title IX, its meaning and relationship to other foreign policy objectives. This will require major changes in the outlook of State as well as AID on staff assignments and personnel rewards.

c. Within AID, emphasis, though not preclusively so, should be on those who have research training, with special attention to those that AID has sent to school for advanced study.

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d. Planning offices in the regional Development Planning Offices were established with research as one of their functions, and such research should be encouraged, in fact even required more as a basis for planning and evaluation done in those offices. Such offices are often multi-disciplinary, which helps.

e. Joint research with outside, academic specialists should be encouraged to provide different skills, to help relate academic and operational interests, and to improve, where applicable, research techniques of the in-house researchers.

f. Missions in countries where U.S. programs are large and of long range significance should establish permanent research positions. This has been done on a multi-disciplinary basis in Thailand and on a lesser scale elsewhere. But systematic country research on factors related to Title IX objectives and the relation of AID instruments to these objectives has not been done and is needed if generalities are to be translated into meaningful and effective country strategies and programs. Consideration in these missions, as in others, should be given to encouraging more host country nationals' research as an aid and supplement to our understanding of the country and the effects of our programs upon it. (See section on this subject.)

### 3. What Kind of Research Should Be Done In-House or Jointly With Outsiders?

a. Evaluation of political developments as they relate to AID objectives and programs.

b. Evaluations of U.S. and AID strategy and programs with regard to economic and Title IX conditions in the country.

c. Interaction of economic and political developments (good material for joint economist-political scientist studies).

d. Effect of AID programs on national development, especially in countries sensitive to outside researchers.

### 4. How Does AID Select People and Projects for Such Research

a. Individuals with the training and interest should be encouraged to plan such research when they undertake their regular assignments and to be prepared after, say, two years assignment, to prepare a one-year research proposal.

b. Missions and regional offices should analyze research needs and work these into recruiting plans as well as special research requests.

c. People should be hired directly for research projects with promise of operational assignments afterward. This will aid in recruiting people with these talents and interests and having them later in operational and/or

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evaluation positions afterwards, i.e. effecting (affecting) program analysis and decisions.

d. An annual number of in-house research projects should be budgeted against which applications should be encouraged.

5. How Long Should Such Studies Be?

a. In some cases, a year will be necessary.

b. Short term evaluative studies by those with direct experience with the subject and country concerned should be encouraged even more -- with less difficult staff adjustments for AID and quicker feedback. These could be three to six month studies.

6. Special Problems

a. Publication. The in-house, as out-of-house researchers should be allowed and encouraged to publish, with the understanding that sanitization or redirection of studies for that purpose might be required in line with normal U.S. government rules on this subject. Not all studies will be appropriate for publication, but appropriate derivatives of sensitive studies should be published to encourage professionalism and help attract research-minded people to AID. Safeguards are already built into the system in the approval process.

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## RECRUITMENT AND TRAINING

### 1. Task - Recruit and train who to do what?

Title IX has made explicit what has long been implicit in the development business; development is a complex and inter-related series of actions, structures and processes affecting all aspects of human behavior. It was initially assumed that in the absence of economic development, development along other lines or dimensions could not and would not occur. Or, given economic development, other forms of development would occur. The at home lesson of pockets of backwardness was conveniently overlooked where a remarkable degree of overall economic growth has not been successful in papering over the deep disparities in political, social and economic opportunities. However, A.I.D. did have some of the tools for assisting in economic development but was most uncertain about how, if at all, to approach the other dimensions of development.

The Title IX legislative amendment was designed to hasten A.I.D.'s use of some of the political instruments for development. A.I.D. has been instructed to assist in ensuring participation in the fruits of growth for masses of the people as well as over-all percentage growth rate increases. People shall also be involved, participate, in the planning and carrying out of activities designed to bring about development of their own societies. Democratic institutions are to be fostered as prime instruments in the task.

### 2. Recruiting

The job is at least four-fold if A.I.D. is to do an adequate tooling up for Title IX: recruit, train, evaluate and reward. What is needed in A.I.D. recruits?

The task requires of the US A.I.D. missions a wide range of skills, aptitudes and attitudes to manage, plan and implement development programs. Some of the basic skills (or combinations of skills) required by A.I.D. are:

manager  
administrative  
clerical  
program planner  
accountant/auditor  
economic analyst  
financial planner

agriculturist  
educator  
engineer  
public health  
public administrator  
attorney  
etc., etc.

Any major US. A.I.D. will have many of these skills represented in its complement but not necessarily all. Overseas assignments pose many problems not yet fully comprehended. Research in the field is still limited and a number of postulates concerning overseasmanship have been circulating long enough to have gained the status of conventional wisdom without having been validated. It is assumed that the US A.I.D.'s have many occupational, attitudinal and capability requirements in addition to the basic skill needs of a particular position. Some of these are:

\* An understanding and appreciation of U.S. culture. Wittingly or otherwise, the overseasman will be viewed as a prime representative of it. He must be aware of our national strengths as well as our problems and should have enough familiarity to be able to respond intelligently in discussions of some of our more critical domestic issues of the moment.

\* The technical advisor is in special need to understand the American social infra-structure of his own technology. Few professional or technical experts have an appreciation or awareness of the network of facilities, services, attitudes and values that comprise the professional environment in his home situation.

\* He should have a desire to learn and understand the culture of the host country. This willingness to hear and see about his hosts may well prove to be the most effective teaching tool in the local culture, its history, triumphs and tragedies, the easier and more enjoyable the transition into an effective working role in the new country.

\* A facility to speak the local language is of the utmost importance. Newer recruits with Peace Corps background are demonstrating the importance of this to older hands.

\* The overseasman should have facility in the difficult art of cross-cultural communications. This is something more than just a knowledge and awareness of differences and similarities. It is also a sensitivity to the nuances which can be observed and learned through practice granted that the individual is capable of sensitivity in human relations--some are more so than others.

\* At some point or most of the time, all overseas employees find themselves in the role of advisor. An understanding of the nature of learning and the learning environment will be helpful. The proffering of advice can quickly become a nagging annoyance if not done with skill and great sensitivity. There are times to shout and there are times to purr and there are times to be both quiet and absent. This is asking a great deal of a normal man. If his professional or technical qualifications are without question, his behavior in situations otherwise calling for tact may be excusable. However, all overseas officers are not geniuses

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occupies*

and it is better to behave well and learn how best to become effective in a given culture.

\* ~~There is little need to remind the overseas employee that he is the U.S. policeman on the beat insofar as U.S. resources are concerned. Of this he will be reminded frequently.~~ The problem here is to make this clear to the host country personnel in as dignified and decent a way as possible and there will seldom be a need for reminders. This is an obtrusive fact of being the representative of a large and powerful nation and one must learn to deal with it with a degree of grace. Once stated that there is little doubt in the U.S. employees' mind that he does, in fact, represent his nation at all times ~~and~~ will facilitate mature relationships

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*must*

*x*

\* More difficult to learn without prior experience is the role of negotiator. One frequently finds that a major part of the job involves negotiation. This may be for simple purchases, employment, renting housing, working out details of programs and projects and selecting participants for training. In many cultures bargaining is great sport and it is the U.S. overseasman who is uncomfortable. However, each culture must be approached on its terms and the accommodation must be made with one's own in working out any particular arrangement. It is this writer's very real concern that over the years the U.S. representatives have been tremendous bargainers. Hidden well-springs of the 'Yankee Trader' seem to rise in our principal negotiators such as the program and lending types. The danger here is that the bargain may go overwhelmingly in our favor and the adversary (excuse it, host country representative) win in the long run as the series of unenforceable 'conditions precedent to' are slowly waived and forgotten by subsequent U.S. implementers of the arrangement thus invalidating later attempts to effect meaningful negotiations. It might profit us greatly to lose a few points at the bargaining table to help in the long run dealing with a country.

\* The overseasman is always and foremost a representative of his country, a lower case diplomat. It would appear that overseas requirements are rigorous in that they call for a high order of basic skill, curiosity, adaptability and growth capability, as well as other fine qualities not often found in one normal human being. Moreover, he must be possessed of a spirit of adventure such that he is willing to take his wife and children to far-away places where education and health facilities are reportedly not as good as those at home. He separates himself not only from family, friends and peers, but removes himself from his professional

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colleagues. The latter factor is a help in that it is a self-selector. We don't have to canvass all of a skill area to find the people we need. They can and do volunteer.

The assigned task here is to use the best techniques available to identify these people, recruit them, provide them with necessary and specific orientation to equip them to move into a new cultural situation and then to provide continuing-growth training to equip them even better for the dynamics of their jobs, and finally, to assign them to meaningful positions. With this formula, A.I.D. will evolve a professional cadre of dedicated and skillful operators who will tackle assignments and stay with them through the necessary work-spans. It should be noted that the program has never lacked for dedicated personnel. It has had problems in providing sufficient training to equip them to work more effectively in given assignments. This valuable training was not available to assist in the necessary selection and identification of those best adapted to the needs of the development enterprise.

Private industry, the churches and some of our metropole neighbors have identified one prime method of ensuring good results from their overseas representatives, long tenure at post. The argument runs strongly in favor of recruiting individuals for specific tasks in one country and then returning them to it for ~~the duration of the life of the project or the working career of the technician.~~ This method allows for a logical and readier acquisition of genuine facility in the local language, thorough cultural orientation in the host culture and a sense of purpose and identity which is difficult to hold in the ~~present method of two-year assignments and then rotation to a new post and a new task (program or project).~~

*Whichever then*

The foregoing general remarks about overseasmanship were stated because of their high degree of applicability to the task of recruiting for Title IX. It is not immediately anticipated that many new positions will be created for Title IX per se, but it is recognized that if Title IX is to become an operable principle pervading the A.I.D. agency, it will have to engage the minds of the US A.I.D. staffs and the programming and desk personnel in Washington. Executive commitment to Title IX must be made evident and explicit from the Administrator and the Regional Assistant Administrators. Taking the theme of this conference that Title IX is the participative dimension of all other A.I.D. activities, then all employees must be provided with the opportunity to become acquainted with the requirements.

It is not intended that a large number of political scientists as such will be recruited by the Agency but that a number of social scientists with special skills important to the execution of Title IX

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be employed for a few new positions or for replacements as vacancies occur in Title IX related slots. The techniques required are the emerging behavioral, analytical and sensitivity skills. Special requirements will be identified by the kinds of research, analysis and operational work required as the Title IX objectives continue to be identified and refined.

Perhaps new positions will be established with special personnel review panels. An examination of personnel files may reveal qualified staff now on the job in other positions. More importantly, the present personnel evaluation reporting system should have added to it a specific item or section to provide an evaluation of each employee's role in facilitating participation in his area of responsibility or project. How does he perform as an advocate of Title IX? The simple inclusion of this evaluative category in the personnel system will ensure an early and interested effort to begin to understand and apply Title IX objectives by the ratee as well as the rater.

Inter-agency exchanges between A.I.D. and State are not uncommon and should be encouraged to help in the location of Title IX sensitized personnel. Foreign Service officers will profit from the professional expansion the change brings and A.I.D. will ultimately profit as these officers acquire posts of increasing responsibility. The FSO's should bring political analytical skills to the new task. Cultural Affairs officers and other USIA personnel are additional sources of interchange possibilities for A.I.D.

Obviously the prime resource is the large number of A.I.D. personnel presently operating overseas and in Washington who have grown up with the program. To the extent that these people have evidenced ability and commitment to the task, they are deserving of priority training attention to better equip them to continue. Some will select themselves out when they are brought to realize the complexity and duration of the task we are engaged in. Others will certainly profit and assist in the extension and betterment of the art of development.

~~The Peace Corps has pioneered in the use of the training period as a selection device. A.I.D. should use this technique in selecting new staff.~~

? clarify

The Agency has been working at the business of better recruitment and training procedures for some time. Much has been learned and some is being used. As the old farmer said to the extension agent as he refused the invitation to attend the seed demonstration, "I aint usin' what I already know." In short, the Agency has a number of excellent training proposals and career programs proposed to it. It is up to A.I.D. to dust them off and apply them. Professionally qualified personnel are crucial to the success of the operation.

### 3. Training

Successful training requires a multi-level approach. The minds of the personnel in the Agency must be 'engaged' with the Title IX concept. This runs from the Administrator to the technicians in the field. Assuming that an accelerated process of identification and selection of new recruits is being undertaken, the next job is to train all personnel, new as well as those who have been on the job. These training courses will include short courses in the field and in Washington, transformation of the Interdepartmental Seminar to a political participation (Title IX) rationale, Title IX components added to courses now being offered senior and mid-career officers and an expanded program in the Title IX component now offered new personnel in the Orientation course.

A.I.D. staff members should be individuals who can tolerate ambiguity and who do not need to find authoritative answers to tension-creating problems to relieve their anxieties. They should appreciate that because each society is a social-political-economic-personality system, which changes progressively, and with whose state at any given period any innovation must be consistent, therefore almost no American method (technical, political, or other) fits well without adaptation. Hence, for the most effective service these staff members (as well as direct hire, and contract technical advisers) must themselves be imaginative and innovative; they cannot merely transmit American methods. The perception by any individual that this is true is of course closely associated with his tolerance of ambiguity and freedom from need to fall back on a dogmatic solution to a problem.

The basic tendency of most individuals to see or not to see the world in the way implied in the previous paragraph cannot be changed markedly by a training course. This is why selection is so important.

However, training is not without some effect. It seems probable that the attempt to change personality or behavior patterns by general training in theories of social change and behavior adaptation will fail. That is, individuals cannot be made more adaptable and innovative by being told about these qualities in general terms.

It is uncertain whether "sensitivity training" or, in other words, "T-group training" has lasting effects. A.I.D. should get an evaluation of the evidence concerning such training -- and concerning the variant methods -- from a dispassionate committee of social scientists, not from an exponent of the method. In a condition of uncertainty concerning the effects, such training (say a two-week course) should be a part of the training of most or all newly recruited A.I.D. staff, since there is no evidence to suggest deleterious effects, and the possible positive effects are important.

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Behavior in administering economic assistance can be altered favorably to some degree by specific training in the problems to be encountered. New recruits should not merely be given an orientation to cultural differences and inter-cultural contacts. They should be given specific training in the additional rather than merely technical problems of their job. There should be emphasis on clusters of case studies, of the process by which an effective overall development program was worked out in a developing country; that by which a successful community development program was conceived of, planned in general, worked out in detail, and executed; and so on. If the process is narrated by someone who is familiar with the sequence of communications among individuals that went on -- the exploration of the idea, contact between planners and operating agencies, formation of task forces, discussions by chiefs with Indians of problems and needed adaptations, obtaining of responses from consumers, and the progressive and repeated reformulation and improvement at the general planning stage and during the course of elaboration and implementation that will result from this network of communication -- then the study of the case is likely to be far more effective than discussions in general terms in training the staff member for improved performance in the field. Structured groups of case studies will become valuable training tools for development processes when they become available. It is urged that research be encouraged in this area.

It may be suspected that both sensitivity training and refresher training by discussion of specific successes (as above) will be useful for mid-career staff members also. In general, refresher training should be regarded as normal procedure for all Agency members.

Training of this sort would be intended to improve A.I.D. effectiveness in general. But it would especially sensitize staff members to Title IX considerations, for description of successful assistance processes would necessarily indicate the importance of wide participation and of the formation of grass-roots or rice-roots local organizations through which in some cases participation in planning and implementation can be increased and improved in quality.

When an individual moves from one region of the world to another, he should be asked to record information concerning his work in the region he is leaving, that is pertinent to the obtaining of participation; and he should be given orientation concerning the region he is entering. For while there are important human uniformities throughout the world pertinent to Title-Nineing, there are also cultural differences that should be noted. One of these (cited as an example) is the nature of communication networks. Are they tribal? Familial? Old school? etc.

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It is not intended here to make an exhaustive list of training programs which A.I.D. should embark upon. However, the present programs for orientation, mid-career and senior officer training are excellent beginnings. The initiation of the traveling seminar is an excellent introductory device to expand the developmental horizons of field personnel with reference to Title IX and to the inter-relationships in development as a whole.

*Handwritten signature: J. H. Stewart*

The Country Team should be trained as a group in the implications of Title IX on country strategy and programs. Here, as in all leadership situations, the posture of the ambassador in regard to Title IX is crucial. If he is interested and wants the Country Team to be involved, it will be done!

The Foreign Service Institute is by statute the common training facility for all agencies, except for training that is unique to the needs of one agency. Title IX training is not unique to A.I.D. Title IX requirements are also the training needs of State generalists, as well as some elements of USIA, DOD and Peace Corps training. The tendency in most agencies is to set up special courses each time a new idea arises. It is urged that full consultation with the Foreign Service Institute be had to assist in the development of new programs involving Title IX curricula. There will be a large overlap of subject matter in Title IX and there should be positive benefits derived from training in an inter-agency setting reminiscent of the Country Team or the Washington committee. Prime emphasis should be put on the need for cooperation among agencies in meeting Title IX training needs. This is consistent with the stress on coordination stated in the paper on Organization.

The Senior and Mid-Career Inter-departmental Seminars should be converted from their counter-insurgency roles to courses on Title IX and development. These are extremely valuable training opportunities which should be used to their fullest capacity.

The techniques of simulation and gaming are suggested for use in training senior personnel in the application of Title IX objectives. Brookings Institution has developed skills in this area and it is suggested that a series of one week programs be given for senior Washington and field personnel.

Much work needs doing in the area of identifying social infrastructure for technician training and applying it to technicians either at post through traveling teams or while on home leave in the states. Stanford University is a source for skills in engineering, and John Hopkins and Harvard in medicine.

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A new training suggestion has been proposed to take a selection of 5 to 10 technicians and programmers eligible for training and run them as a simulated Country Team through a nine-month program dealing with (1) leading issues of economic development, (2) elements of project design, implementation and management, (3) latest techniques of U.S. management, systems design, etc. and (4) identification of social and political factors in development. The program could be conducted at one site or moved from campus to campus to accommodate the team's schedule to the best available talent for the unit under discussion. It would be a seminar operation with the end-product a country team paper on a selected country such as Brazil, Indonesia, Guatemala or Ethiopia. The country focus would facilitate an in-depth use of the conceptual tools being acquired.

A.I.D. has been working carefully on the development of a career personnel system over the past several years. A foundation is being prepared for the identification and promotion of the more qualified people for positions of greater responsibility. This has been going on in spite of obvious problems of a temporary agency, 'fads' in executive recruitment and the relatively undeveloped state of the art of development itself. In addition, training programs have slowly taken hold in the organization and are claiming modestly increasing increments of funds. More importantly, training time has been allowed less grudgingly from year to year and the present group of senior and mid-career personnel in training are truly high quality people marked for increased responsibilities.

The Training Office of A.I.D. is now engaged in a modest though extensive program including orientation training, mid-career programs and senior programs. Other continuing management-type programs are underway primarily for the Washington complement but available for overseas staff on home leave. Some of this training is carried on in A.I.D. and other programs are under contract with universities. A new program was initiated last year by carrying the training to the field in the first of a series of inter-disciplinary seminars for senior staff in Mexico. Its success for Latin America A.I.D. officers has resulted in its world-wide extension this year. Traveling seminars for all personnel would appear to be an excellent means of speeding up the development of our developmental personnel around the world and are recommended as initial expedients to facilitate staff "tool-up". Additional use of the Foreign Service Institute is recommended.

Training and research are usually in the orphan class when budget time comes. It takes a strong awareness of its importance and value on the part of the leadership of the agency. Leadership commitment to it ensures its part in programs and its ultimate use to the benefit of the agency.

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In conclusion, it is not enough to develop programs of training based upon the human faith in the efficacy of more education. The kind of training, the methods of training, selection for training are all critical factors that need research, investigation and evaluation in order that effective use is made of limited resources.

Recommendations