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Ray Jonurphy PUBLIC ADMINISTRATION IN THE DEVELOPING COUNTRIES Charles THE U. S. APPROACH See Juman THE U. S. APPROACH

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I have traveled hundreds of thousands of miles as a United States Senator trying to measure, evaluate, understand the reason why so many people in the world continue to live in abject poverty, and why there continues to be so much political instability? Why does democracy seem to have such Indone areas a hard time raising its head? And, why is it so short-lived? Why does it so frequently succumb to dictatorships, military

Is there some basic flaw in the societies of Latin America, Asia and Africa? I cannot believe it. There is no basic flaw in the people. People everywhere have the same hopes and dreams/you and I. They want freedom just as we do. They are willing to work and sacrifice to get ahead.

juntas?

Their idealists and their visionaries have caught their imaginations in these new nations. Sometimes they have mustered enough strength to overthrow the ancient tyrannies and try democracy. But all too often, visions fade in the vacuum of administrative incompetence. A handful of doctors, lawyers, or college professors cannot cope with the raw and angry problems of a people who demand more than they have had. Regularly, tragically, the dream are bogged down or are pulled down. The dreary cycle of incompetence, corruption and final violence is again repeated. Typically, democratic experiments are replaced by military coups. Why? It is not solely because the military have the guns. The officer corps is the only group in an underdeveloped nation that is trained in administration.

One of the great tragedies in the developing nations is that there are so very few non-military who have the necessary training and motivation to enter government service. By default,

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juntas come to power and stay in power through a failure of democratic leaders to govern efficiently and honestly.

The debate on Foreign Aid which has occupied the Senate for the past several weeks, gives a sharp focus to the discussion today on "Public Administration in Developing Countries: The U.S. Approach." Many people have been frustrated with our Foreign Aid program. The problems are inherently complex. They involve issues of foreign policy, domestic and international economics, and problems of national security. Our capacity to grasp and administer the problems is compounded by the tremendous variety in the nature of the problems and needs among the different countries. There is a broad range of conditions. At one end we have countries just emerging from primitive societies. At the other, some will soon take their places among developed nations. To the different stages of economic development we must add the overlay of different languages, religions, cultural patterns, and different political traditions.

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Iran has centuries of Persian tradition. Some new African states have a national identity only several when If years old. Some countries have five high school graduates. Other had distinguished Universities before America was discovered. Some countries have large natural resources. In others a slim living is eked from the soil still scratched with a pointed stick. A thousand variations make it difficult to grasp the foreign aid program and make it difficult for the State Department and A.I.D. to administer with the ball-bearing smoothness some people very unrealis-

tically want.

One problem is present everywhere: every country has serious deficiences in Public Administration. It is difficult to "get things done" through government. There is a shortage of trained managerial talent. There are inadequate fiscal and economic institutions geared to the needs of the government; inadequate services to the public, particularly the smaller rural areas; and lack of enough modern training institutions to produce skilled public employees.

We can't push a button and improve public administration in 60 countries. We know at home that good administration does not come overnight and it does not come by decree. Furthermore, what fits our American democratic heritage often does not fit countries where government must base itself upon tribal structure, or colonies with an inherited tradition from British or French Civil Service. In Latin America the Spanish heritage, military tradition, and the Napoleonic code modify in various ways the structural ideas of the American government.

In our policies, we recognize this. For 12 years, A.I.D. and its predecessor agencies in our government, and the United Nations have given limited technical assistance in the field of Public Administration. Before that the Census Bureau extended training and advisory service which helped make a success of the 1950 census of the Americas. The Bureau of the Budget trained some foreign nationals as early as 1947.

This kind of technical assistance has continued in terms of training, institution building, and advisory services.

In recent years we have trained 500-800 people per year from 60 countries, in various arts of Public Administration. In most cases nationals with some command of English have come to the U.S. for six months to a year. Training combines some specialized courses with observation and work experience in Federal, State, or local government offices.

This has been valuable. It could not possibly reach enough people, however, to make possible rapid improvement in administration in many countries. Therefore a new approach stresses group training of the participants <u>in</u> <u>their own language</u>. In the past year 30 Chileans have been trained in tax collection and administration, in Spanish. Our hosts here today, the Graduate School of the Department of Agriculture have trained several groups of Congolese in French. The Alliance for Progress has stepped up the use of Puerto Rico in training Latin Americans.

Training 1000 or even 10,000 individuals per year in the United States would not be enough to meet the manpower needs of these countries. Don't think of our needs at heme if the power. Think of a country with one lawyer, one personnel man, or just one agricultural agent -- and he has never driven a tractor or made an important decision. Further training in the United States can be costly, and possibly totally unsuited to the needs of the foreign country. There is no point in having a tax wen study the use of our computers if his country is just moving from the abacus of the adding machine. Rather we must build up educational and training institutions abroad, adapted to local needs. Our major resources now go in this way. An early example was the Institute of Public Administration of the Philippines. The University of Michigan collaborated here. As it grew, U.S. assistance was discontinued. Filipinos man this center now entirely. They train their own people to serve their government, as well as officials from other countries in the Far East. Michigan State University has helped Brazil set up a school of Business A full A full Brazilian faculty of 25, give a four year course. A thousand key business executives have been

trained.

M. Some of the greatest needs are for training below the University level. The Alliance for Progress has stressed this. Chile has now a Tax Training School. 375 Chileans have received intensive training, the first time any Latin American revenue personnel have participated in planned, organized, and full-time training. In Guatemala and Paraguay a total of 1000 public employees per year are trained. In Peru, the Institute of Public Administration of New York assists a major program in the Peruvian Institute of Public Administration.

In all, the U.S. supports 37 training institutions abroad in Public and Business Administration and Economics. Twenty-one of these are operating under the Alliance for Progress. I want to emphasize too that other organizations than the U.S. government are encouraged to share the load. The Ford Foundation helps in Columbia and Venezuela. The United Nations is giving increasing attention to the emerging countries of Africa.

We are also stressing direct advisory services to foreign governments. Not all American technicians are men in field clothes advising farmers, or nurses showing mothers how to bathe babies. Some 300 Americans, from the U.S. government, private consulting firms, and universities are working with governments. They are not writing surveys and reports. They are working at modernizing government programs.

Last wear Americans helped Jordan install a new budget system. This year they established a new accounting system. In Chile, personnel from our Internal Revenue helped reorganize their internal revenue system: streamlining procedures, writing manuals, decentralizing activity. In Taiwan, fiscal reform is well underway. Automatic Data Processing there has put some taxes on computers and prepares lists in days that once took years. Daily posting of receipts and disbursements is done by IBM machines. Program and performance budgeting is becoming standard in all agencies. In Panama, Americans

have established a well-organized Staff Office to the President -- who can now get top-level advice in planning, budgeting, personnel, and administrative management.

There is no question that administrative progress has been made in the last ten years. But we have a long way to go in completing the day-to-day administrative improvements which are essential for economic and social development. Waste and inefficiency continues -- far more than either the American taxpayers or the developing countries can afford. We have made progress in the mechanics of administration. We now must attack more intangible and difficult <u>political</u> problems -- the problems of decision making at the policy level.

The political problem in administrative modernization

can be framed in three questions:

1. How can we convince the have-not nations of the urgency of administrative reform?

2. How can the machinery of government be adapted

to cope with and assist in rapid and constructive social and economic change.

3. How does one get the mechanism of government to be effective outside the capital cities -- in the rural areas?

These are formidable problems. Let me elaborate on them.

It is not easy to define and harder to create a senge of urgency regarding administrative reform. This is often true in the U.S., even when we have a reform tradition. It is doubly difficult in countries where there is no such tradition.

Administrative reform must come from within. Reform is substantially a political process. Outsiders - 14 - can give technical help; but are severly restricted

if they try to move beyond that point.

We can do some things to help create a climate and a will. The Alliance for Progress has illustrated some ways to "get things moving." Before the Alliance, tax advisors usually just wrote reports which gathered dust in the archives. At Punta del Este however, the Charter focused on tax reform. The President stressed it. Officials like Teodoro Moscoso stressed it. Our Missions and Embassies talked it. It became an important item for discussion in the press. Taxation still isn't fashionable in most of Latin America, but the problem is off dead center. It is being discussed, legislation has been enacted, administrative practices are changing and collections are rising.

Ecuador provides an example of a different approach to administrative reform. We have loaned Ecuador substantial sums for budgetary support and some high priority programs . To make sure they worked, Ecuador got a loan of \$1.6 million from A.I.D. specifically for administrative and fiscal reform. They are using the money well to this end. In this way both foreign and domestic resources are being mobilized to bring about substantial reforms of a basic character.

It is very important indeed to improve the machinery of government. This can still leave the government impersonal, however. Millions of pecos may be saved by a better budget system, but this may not get milk to babies. Better administration must contribute directly and immediately to better public services that people can see, feel, and identify with.

This is a major problem for/us all over the world. Economists can andhave made workable plans. Engineers have detailed feasible projects. Often these are not developed, because countries lack the administrative skills to carry them out. How, for example, does one get agrarian reform or any major economic or social program going where an official government work week is 28 hours, or where government employees must hold down two or three jobs to make an adequate living?

There is a long way to go. There needs to be more urgency for administrative reform. Administration must institute practical programs in the service of people. The machinery of **go**vernment must get out into the rural and outlying areas. In saying that progress has been made, I am not denying that there is a long way to go.

Most governmental machinery in developing countries is geared to a "normal" time and pace that is completely out of date. In most cases the institutions do not even exist that can respond to current needs with the urgency required.

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I believe we need some new ideas in recruiting in Public Administration. We must find ways to team up experts in agriculture, education, and administration. We can make better use of talent in other agencies of our government, Federal, State, and local. Through multilateral agencies, more use can be made of the experience of foreign countries in creating institutions needed by the developing ones. Our own universities can do more thinking about administrative institutions abroad.

Even more complex than recruiting personnel, however, is the problem of extending good government outside of the capital cities. Most developing countries have a tradition of centralization. Seldom is there a deep philomphy of public service. Able people leave small communities of limited opportunity to seek the advantages of the capital. Officials are reluctant to delegate authority to those who may not exercise it properly. Regardless of the difficulties of conditions however, unless public services get to the people in rural areas, economic and social development is not successful.

At this point the work of the Peace Corps should be mentioned. This is precisely what Peace Corpsmen-and women -- do. They get out into the rural areas, the primitive villages, and work. The best of American youth show a willingness to roll up their sleeves and serve the rural people. That is not a tradition in many countries where youth of similar families and status get away as fast as possible to the cities of opportunity. Apart from the value of the projects they develop, this example of the Peace Corps may yet be one of the most effective tools in helping us crack this problem.

How does one get rural development going, if

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buying a shovel has to be approved in a capital 500 miles away? How does one plan land without maps? How does one develop agricultural production with few clear property titles? When no one below a Cabinet level can coordinate anything or even tell local specialists to get together and talk over problems, it is hard to get anything moving. All decisions cannot be made at the top.

Facing up to these problems, we have shifted our emphasis in Public Administration in two ways from our technical-assistance approach of earlier years:

First -- We tailor our assistance to the overall development plan of a country, rather than to do a good, but isolated project. This isour emphasis particularly in Latin America. We are trying to help re-shape the economies and societies of the member nations through a concerted attack on outmoded patterns of life and government.

Secondly -- We are trying to make the skills we teach last and endure. We do not wish just to demonstrate a better way of doing things and hope that something will stick. We are trying to build out skills permanently into new and reformed institutions to carry them on.

We are also trying to develop these skills by creating institutions suited to the particular country's needs, special characteristics, and national aspirations. There is no use building tight islands of foreign efficiency that are expected somehow (perhaps to be absorbed by) the natives. You have to have specific training programs worked out.

We have much to learn from the countries in which we work. We must establish confidence and effective working relationships with people in all these differing countries and I emphasize their <u>difference</u>. This takes time. But it is time we have to take if our efforts are to be meaningful and successful in getting at the roots of the Public Administration problems.

It will take time therefore, for important improvements in public administration to be made. When they are, they can have a profound and lasting effect on the societies, the political structures, and the economies of the developing countries.

It is then that Americans will perhaps acknowledge the service of those in their leadership -in the Executive and Legislative branches -- who fought off shortsighted attempts to prevent the spending of a few cents per American citizen, for so vital a purpose in the development of a modern free world.

ADDED NOTES FOR DEPT. OF AG. ADDRESS

Perhaps our friends overseas have some justification for this

In our efforts to help the developing nations to economic and social progress, we tend to be most expressive in our pride for the development of the material resources. We boast of new buildings, new factories, new equipment and new supplies of products and goods which can be touched and seen.

Yes, we have made a respected name for ourselves in our assistance to develop the natural resources and the material resources of underdeveloped nations.

But what about the human resources of the new nations?

(more)

There is a double lock on the door to real social and economic progress in the underdeveloped nations of the world.

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Two keys are needed to open that door.

One is, of course, capital ---- the means to develop the physical and material resources of each nation.

The other key is <u>education and training</u> of the people, to develop the modern skills needed for social and economic progress.

We can not neglect the vast, untapped human resources in Latin America and other struggling areas of the world. These nations must have administrative, managerial and supervistory skills----and not just in the public, or governmental sector of society.

Frankly, we are not getting below the governmental level in the underdeveloped nations and developing pools of managerial talent among the people---particularly the middle-class.

We must work to mobilise the talents of our own expert managers and supervisors to share their skills with the citizens of underdeveloped nations.

In business, in labor unions, in cooperatives, our leaders have perfected supervisory skills necessary for solid success. Those skills must be shared with the people of other nations if they are to develop the capability for managing their own affairs and are not to become used to <u>outside</u> leadership and management.

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