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**JAMES A. NORRIS**

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## INTERVIEW

### Childhood and Early Background

NORRIS: My father was a bricklayer, stonemason and carpenter. My mother had been a secretary, but never worked after she was married. We never had any money, but I guess like many people in this situation, while we were poor, I never realized it. Anyway I did well at school. I was particularly interested in science. Nobody in my family had ever gone to college, but it was assumed that I would - probably at the local college in Fargo. The high school guidance counselor suggested that I look beyond North Dakota in terms of going to school, which I certainly had not considered. So I looked at some college catalogues and I liked the MIT one, so I applied to MIT, was accepted, and went in the fall of 1955 to major in chemistry.

*Q: Before going to college did you have any exposure to foreign visitors; were there foreign students in your school? Was there any sort of international exposure?*

NORRIS: None. I think we had one Mexican American in my high school. She was a very nice girl - very popular, but she was no more “international” than any of the rest of us. Nobody talked about international exposure. There was just no real cultural diversity in Fargo. Things are much different now. There is a substantial Serbo-Croatian group in Fargo and a fair number of Nepalese (of all things, maybe they got tired of mountains). Also there is a much larger Hispanic population as well as African-Americans.

In terms of broader exposure, the only thing I can think of is that my parents bought a World Book Encyclopedia for my sister and me when I was in about the fifth grade. Read the whole thing – cover to cover – all 20 some volumes. That did have quite an impact on me. Sort of an education in itself and definitely a lot of international content.

*Q: It was your science interest that took you to MIT.*

NORRIS: Yeah. I had done well in science. I liked science. I found it interesting. So I went off to MIT. I had been to Minneapolis once in my life. Other than that Fargo was the totality of my experience. So Boston was quite a transition.

*Q: Can you put yourself back at that time and think about your horizons: what did you hope to do?*

NORRIS: Well actually I was always interested in government and politics and foreign relations and had a sort of a vague interest in economics. I probably didn't know what economics amounted to. But I was primarily interested in science and I did reasonably well. I guess my horizon was surviving at MIT and then being a chemist somewhere. Not very imaginative. Anyway, I set off for MIT. The first semester...

*Q: What year would that be?*

NORRIS: That was 1955. The first semester was quite a transition in how you had to study in college as opposed to how you study in high school.

*Q: Right along with all the other changes that were happening in your life.*

NORRIS: Right. So I didn't do well at all the first semester. The Dean of Student Aid called me in after the grades came out, and said. "Mr. Norris you have a very substantial scholarship and very mediocre grades. At the end of the next semester one of those will change." So, that made me sort of maniacal in trying to do well in chemistry, which I ultimately figured out how to do. Probably if I hadn't become so focused on doing well in chemistry I might have looked a little bit more broadly in thinking about what I was really interested in. I was actually at that time somewhat interested in economics and foreign policy in a very ignorant sort of way, but nonetheless interested. But the need to get my grades up really focused me on chemistry. And I eventually did well. I continued to find it interesting. So I got my degree and I went off to Berkeley to graduate school to study more Chemistry.

*Q: OK, I am just going to stop you at that point. Were you still thinking about a career in chemistry, not going back to Fargo necessarily?*

NORRIS: Oh absolutely. No expectation of going back to Fargo. I guess I should go back and say Fargo was a great place to grow up. There was a nice community and it was a nice childhood. I did have a sense that there was a lot more to the world than Fargo. I had

always been interested in foreign things even though I did not have contact with anything foreign.

*Q: You must have had some teachers who encouraged you to look beyond Fargo.*

NORRIS: Not really. It was basically a very good education in Fargo, the high school was excellent, but there was no particular outside influence that encouraged a broader outlook, except reading the entirety of the World Book Encyclopedia, which definitely was a significant influence.

*Q: So this all came from you.*

NORRIS: I guess, but in a sort of non-thought out sort of way. But anyway I went to Berkeley. Again I was enjoying chemistry and doing research.

*Q: This was a master?*

NORRIS: Doctorate. You got a masters if you didn't succeed and finish your doctorate. During the course of doing my research I decided I really wasn't all that interested any more. I was primarily interested in learning the basics of how chemistry and physics worked, but when I really got down into the focused research I didn't find it that interesting. The second year at Berkeley I was a teacher's assistant teaching first year honors chemistry. I enjoyed the teaching more than I enjoyed the chemistry.

*Q: Well let me stop you because this was the early 60's in Berkeley, and there was a whole lot of other things going on.*

NORRIS: No.

*Q: Not for you?*

NORRIS: Not for anybody. That started at about the same time I left Berkley in '63. Mario Savio who led all the free speech stuff. Not while I was there at all. I loved Berkeley. I loved the San Francisco area. It was a real pleasure to be there, but anyway I decided: No, I didn't like chemistry. I wanted to get out of chemistry, but I was supporting myself by being a chemistry graduate student. So I continued to do that, but I started reading Samuelson's Economics and sort of laid a little bit of groundwork for something else. I met Cathy at Berkley. She did have a background in economics; she graduated from Duke in economics and had gone to work for the Federal Reserve in Washington, and then came to Berkeley to study for an advanced degree in economics. A variety of things happened. When I arrived she had finished her studies, but hadn't written her dissertation and was working for Kaiser Steel. Her roommate there was the woman she had been a roommate with at Duke. She was a graduate student in organic chemistry. She was going out with a postdoc in my physical chemistry research group. So I met Cathy through them. They got married. He went off to MIT to do research and teach chemistry as an assistant professor. He knew that I wanted to get out of chemistry,

but he also felt that I could be very useful to him as he set up his research group, so he invited me to come to MIT as a postdoctoral fellow in chemistry.

*Q: Even though the bloom was off the rose.*

NORRIS: The bloom was very much off the rose. I don't know how much of it was that he was just being nice to me or how much of it was that he actually wanted some help. In any case it was one of many fortuitous events that helped shape my life. So Cathy and I got married in the spring of '63 and went off to MIT. I worked the first year with him full time, but also sat in on as many economics courses as I could. Then the second year I worked for him half time and became a full time graduate student in economics at MIT. In the summer of '65 I received my masters in economics.

*Q: Did you complete your Ph.D. in chemistry?*

NORRIS: Yeah. I did. So I had that. And I definitely was not interested in getting a second Ph.D. The MIT economics department was also like the chemistry department in Berkeley - you only got a master's degree by failing to get a Ph.D. But they had one exception and that was if you had a technical undergraduate degree from MIT, the social science departments would accept you to get a master's degree.

*Q: They have to stand by their degree I think.*

NORRIS: I never knew exactly what it was. I think it grew out of mainly people who had gotten engineering degrees and then wanted to get a master's in business administration or something like that so they just made it broader. That too was fortuitous.

*Q: Who were some of the economists who were teaching at MIT at the time?*

NORRIS: Well I did my master's thesis on the Japanese steel industry with Charles Kindleberger. Samuelson was there; Rosenstein-Rodan was there. There were a lot of really capable people. Rosenstein-Rodan was there teaching economic development. At that stage of understanding economic development it was all a question of what do you have to do to help a country take off and there was a focus on infrastructure investment.

*Q: Sure, there were Rostow's stages of growth.*

NORRIS: That's right. The fact is it was Rostow and Rosenstein-Rodin.

*Q: That is right; I remember that one.*

### **Early USAID Assignments**

NORRIS: Anyway so I took the Foreign Service exam for the State Department.

*Q: Because?*

NORRIS: Because I was interested in overseas stuff. I took the Foreign Service exam and the management intern civil service exam and passed them. But when I graduated with my master's in economics I was really more interested in AID and other economic oriented organizations. So I focused on that. I got offered a job with the AID science advisor - they had quite a substantial science office at one time - and also a job in the Africa bureau.

*Q: Was this '66?*

NORRIS: '65. I also got an offer of a job from the Federal Emergency Management Agency, FEMA, and from the CIA. But I thought the Africa Bureau job, which was in Tunisia, was the most interesting of the lot. So we came to Washington in June of '65 with our daughter, Suzanne. She had been born in March of '65. I spent seven months on the Tunisia desk. Phil Birnbaum was the desk officer and it was a real pleasure working with him.

*Q: So Tunisia was part of the Africa bureau at that time. When did NESAs absorb North Africa...*

NORRIS: Oh, if you had asked me that 30 years ago.

*Q: Oh, I am sorry. It may not be relevant. But the Middle East area has switched a lot. It is interesting that in the 60's it was considered part of Africa.*

NORRIS: It was, but it was never a natural location for it actually. The North Africans certainly didn't think of themselves as Africans.

*Q: Right.*

NORRIS: There were North Africans and then there was south of the Sahara. Never the twain shall meet. So it made a lot more sense for it to be a near east geographic setting. Anyway we went to Tunisia in mid-February '66.

*Q: So can I just interrupt again and ask: you were on the desk for seven months. Was there any formal training?*

NORRIS: I will have to say no. In fact there was only a basic orientation course in which they told you about a bunch of acronyms but no real in depth training. It was sort of: Here is the AID Foreign Service. Here are things that we do. This is a PIO/T. I can't say I absorbed a heck of a lot of it. On the desk I worked on things that desks work on. There was no moving around to get a sense of the whole agency.

*Q: Did you have any exposure to the State Department while you were on the desk or were you so lowly that you answered cables and that sort of thing.*

NORRIS: I think I was the lowest of the low. I can't dredge up any specific sort of thing that I did other than they asked me to review a hotel tourism planning study for Tunisia. I did it, but I basically didn't know what I was doing. Otherwise it was just a lot of stuff responding to cables and pursuing inter office things. We left Washington. I had the flu. If I had had any sense I would have not gone while sick. I would have just recovered and then gone. Anyway so we went. Snowing, cold, awful in Washington. We got to Tunis and the sun was shining and it was in the high 70's. There were people on the beach. It was like paradise. We really liked Tunisia.

### **USAID/Tunisia, Economist: 1966 - 1971**

*Q: So how large was the mission? I mean AID as a whole was multiples of what it is now. The Tunisia mission was a fairly large program. I think people reading these oral histories now can't even imagine a mission with 200 people*

NORRIS: Right. I think, off the top of my head, we had about 35 US direct hires, a reasonable complement of FSNs, and a lot of institutional development contractors. And it was a broad program. We built the airport. We constructed and provided technical assistance to an ag university. As an aside, the institutional contractor was a Texas school. At one point the mission was thinking of changing contractors. The Tunisia office in AID/W got a direct call from President Johnson who told them that they really, really did not want to do that. We also had balance of payments support and initiated what became an extremely large family planning program.

*Q: Right. Bourguiba was very receptive. He was the only one in the region.*

NORRIS: As he got older he became a little more conservative. As he got closer to meeting his maker he decided he needed to pay a little more attention to his maker, but for me as a training program it was a quite interesting place to be.

*Q: And your role was as an economist?*

NORRIS: I started out as what was called a junior officer trainee at that time. Glenn Lehmann was there as economic advisor. He left and I became the program economist. My role was doing economic analysis on projects, doing balance of payments analysis for the program loans that we had, and I eventually managed an ag policy project. The first major task I had that Glenn gave me was to prepare the program loan document - all the analysis and verbiage that goes into developing the balance of payments support program. They had been planning on having a new loan that year. That is where I think \$30 million of the OYB was expected to go. So I did the analysis, looked at the balance of payments, looked at the pipeline and did all of those things. And there was a big pipeline and no need for more balance of payments financing that year. So the last paragraph of my loan paper said: "Based on the above analysis it is clear there is no need for a program loan this year." Nobody was happy.

*Q: Did you reword that?*

NORRIS: No, I didn't have to. The mission actually sent it off as drafted. The mission director was not happy with the results of the analysis, but he sent it off to Washington. Washington reviewed it, accepted the totality of the analysis except for the last paragraph. They reworded it to say: "On the basis of the above analysis a program loan of \$30 million is justified this year."

*Q: Do you think they read it?*

NORRIS: They read it, but programmatic needs overrode the analysis. I suspect that generated a certain amount of cynicism on my part as to the role of economic analysis in program decisions.

*Q: Did the embassy play any role in either reviewing analysis or nudging in certain directions?*

NORRIS: Not really, no. I don't think so. We had a good relationship with the embassy. The economic counselor when I arrived was Francois Dickman. Very easy to work with. I did the analysis of the PL-480 Title I program as well as the Title II food for work program we had there. We worked with him closely. I think he did the Tunisian budget analysis that had to get sent in and I did the balance of payments analysis that went to the Department. It was a nice working relationship.

*Q: Was that a four year assignment?*

NORRIS: It was actually a five and a half year assignment. I was sent there, and then they extended me. And let's see, we had one daughter when we arrived and we had two daughters and a son when we left. A new mission director came in while I was there, Sumner Gerard, a political appointee. He didn't have any background in development. He did have some background in the Middle East. He had been in the export business and had a relationship with Saudi Arabia. Actually he was a pretty easy person to work with, although I think he felt quite nervous about dealing with the senior AID staff because he didn't have any development background. I think because of that he asked me to be a special assistant, so I would sort of be...

*Q: His guy on the economics.*

NORRIS: Well no, the program as a whole. This probably drove most of the senior people in the mission up the wall. I mean, this little twerp who had just come into AID had to concur in everything they did. I had been there for four years so I knew something, but I was basically very junior and inexperienced. Hopefully I wasn't too insufferable.

*Q: It was a request you couldn't refuse.*

NORRIS: That is right, so that is what I did, and that was interesting.

*Q: So the '65- '70 was that before the PLO moved to Tunis?*

NORRIS: It was '66 to '71. You know I can't remember. I think the PLO was there but I am not absolutely certain. It didn't figure in anything that I was concerned with. Then there was the '67 war. There were a lot of inaccurate rumors about the role of the United States in that which inflamed the local population.

*Q: Did you have curfews?*

NORRIS: Well there was a mob that came down the street and basically attacked the embassy and did a lot of damage. I probably shouldn't say this, but we had at the front of the building that the AID mission was in a little reception desk staffed by a Tunisian. When people would come to the Mission he would tell them where to go. No security, no ID badges - very open and welcoming. Anyway, when the mob came looking for the Embassy they first came to the AID mission, which was half a block away. Hussein came out and said, "No, no -The Embassy is down that way." Off they went. I think we stayed home for a couple of days. All the windows in the office were broken. It was a mess, but the embassy was really trashed.

*Q: Yeah it was a dicey time. But did you get a chance to travel around the country? Did you have any interaction with people outside of the mission?*

NORRIS: Yeah, I worked with the World Bank and the IMF when they would come out. In the process of programming local currency I worked with some of the Tunisian officials who were really very capable. I had to learn French because it was either French or Arabic, if you wanted to do business.

*Q: And probably French more than Arabic at that point.*

NORRIS: At that time, yeah. It was funny - I would be in meetings and when the Tunisians would talk among themselves it would be a mixture of French and Arabic. For a while I thought they were just switching into Arabic when they were saying something they didn't want us to understand. But it wasn't that at all. Some things were more easily said in French and some things were more easily said in Arabic.

*Q: Yeah it was the same way in Lebanon. Within the same sentence they would switch.*

NORRIS: Yeah, exactly. So that was interesting. We did travel a lot around Tunisia but it was mainly tourism.

*Q: The antiquities are amazing.*

NORRIS: It was a lovely country. Politically Bourguiba was a great leader in initiating social and economic reforms, but he really didn't democratize the place. It is a pity. There was a prime minister, Ben Salah, who was really pushing heavy socialization of everything and he was a very effective fellow. The only thing worse than bad policies

badly implemented are bad policies effectively implemented. He was doing it and it was really upsetting the society quite a bit. Bourguiba got rid of him. But politically it was a place where I think there were thoughtful people on one side and thoughtful people on the other side. There was no enormous tension. I think they could have moved into a much more open democracy quite painlessly. The reason things were so messy when they finally did it was they just put it off and put it off and suppressed it until when it finally happened you got some really aggressive, unpleasant factionalism that was going on.

*Q: Right. So do you think the fact that Bourguiba himself was becoming more conservative and traditional was a major factor in why they couldn't push through to actually...*

NORRIS: I think that was a major factor. It is also true that Bourguiba was getting a little bit senile. He had a heart condition, arteriosclerosis. Sometimes he would be perfectly fine and other times... well for example he disappeared in Paris one time and they had a hard time finding him. They found him sitting in a café thinking he was a student back in Paris. Difficult.

*Q: Right.*

NORRIS: Of course the foreign minister when I was there was Habib Bourguiba Jr. He had had very good relations with the Kennedys and was a reasonable, forward looking person. One funny thing that I got involved in. Sumner Gerard had a friend in Paris who had some friend of his that told him that they could arrange a \$100 million loan from private sources to Tunisia, but they needed to have someone in Tunisia to work on it, get them in touch with the right people in the Government, etc. Gerard wasn't sure about what kind of people these were and so he didn't want to be directly involved, but he thought it was an interesting thing. So he asked me to be directly involved. We checked with the regional US treasury attaché as to whether this was plausible. I mean it was \$100 million, which was real money at that time. And it had a reasonable interest rate of 4%. Something like that. So lots of back and forth trying to set up a meeting, a meeting with the ministry of the economy. The minister was extraordinarily interested and I was working with his deputy to try to set this all up. So it was finally worked out and two Frenchmen came to Tunisia. They were staying in the Hilton Hotel. We arranged for them to be picked up by the ministry's driver at 9:30 in the morning. I decided I just had to see how this went. So I went up to the hotel lobby and just sat and watched. The ministry driver came in at 9:30 and nobody was there. He waited ten minutes and left. So then these two men came down, who really looked like they were senior mafia types from central casting. They were looking around and were obviously expecting a driver. So I went up and said, are you such and such looking for so and so. They said, "Yes." I said, "Well come with me." So I drove them to the ministry. That was the end of my involvement. Nothing ever happened and then months later I was talking to the deputy minister and I asked him whatever happened to that? He said "Well what they wanted to do was give us a crossed loan." A crossed loan is something that in fact governments did do a fair amount of back then. A crossed loan shows up in your foreign assets as an asset. It also shows up as a liability, but a lot of the governments wanted their assets to appear

to be up. They thought that people paid attention to the assets more than the liabilities. So there were loans like this that were negotiated. The requirement was that you could never draw it down. It sat there as an asset that you paid four percent on, but you couldn't touch it. Well the Tunisians quite sensibly thought this was absurd. So they just sent them on their way.

*Q: In what situation would it make sense?*

NORRIS: It would make no sense in any sensible situation. But there were situations in which there were some people who were insensible. In fact foreign investors sometimes looked at the foreign exchange asset position to see if it was significant, and they didn't take the next step of looking at the liabilities. Needless to say in the assets the government didn't asterisk \$100 million with a note saying we can't touch this. So it looked like they had more assets that were available to them than there actually were. You were paying four percent for appearances.

*Q: For appearances. So a country that needed to burnish its appearance perhaps you could do it. It still wouldn't make sense.*

NORRIS: A foolish thing but that four percent was four million dollars a year that caused people who wanted to do those things to be quite prepared to travel to Tunisia to see if they could work something out. I suppose that Gerard's friend would have gotten a commission on that. It was a terrible idea.

*Q: But they realized that themselves. You didn't need to.*

NORRIS: Oh no, other than being the chauffeur and helping set up the meeting I had no involvement. The Tunisians were perfectly sensible enough to see this made no sense at all.

*Q: So when you were leaving or there may be more you want to say about Tunisia because it is a fascinating period and it disappeared from AID's radar for a long time. But as you were leaving were you optimistic about Tunisia or did you sort of feel it sliding away or losing direction?*

NORRIS: I was reasonably optimistic. They had a capable government and a pretty good education system. They were starting a family planning program; they were bringing things under control and investing in infrastructure. They had more controls than they should have had on the economy, but on the whole they were interested in reform. I mean, I wasn't ebulliently optimistic. But I thought they were coming along in a reasonable way. The donors were active. It was a nice place to work.

*Q: So was the U.S. the largest donor or France. Always it is France I think.*

NORRIS: I can't remember to be honest. I suspect that we were a pretty big donor in Tunisia. We interacted with the World Bank a lot. We interacted with the IMF. Very little

interaction with France. Of course France was not terribly happy to have us there. The main thing I remember about the French relationship was we had a large participant training program. A lot of people coming back with bachelor's and master's degrees. The Tunisian education system, which was the French education system, didn't know what to do with them. So a lot of effort was made over issues of degree equivalency. About all they were prepared to say was if you got a bachelor's degree in the United States it probably meant that you could speak English well.

*Q: That was as far as they will go.*

NORRIS: That was as far as they would go. That was very much up in the air.

*Q: But it didn't stop Tunisians from wanting to take the training.*

NORRIS: No, and as more and more Tunisians did have training in other countries and came back and ultimately moved into positions of responsibility that became much less of an issue.

*Q: Right. But it was a large participant training program.*

NORRIS: A very large participant training program. Substantial. I would say we had a big ag program, an engineering office with infrastructure projects, and the family planning program was large. We had a large nutrition program, because there was substantial malnourishment in parts of the country - mainly vitamin deficiency. My goodness I would have to say that in general all the positions I have been in in AID, either as a staff officer or as a director, were in missions that had broad programs and extremely competent staff and, with the exception of Russia, sufficient direct hire staff. So it was a lot of fun. There were many things to learn about. It was really an education in everything from electric power to goodness knows what.

*Q: And as a program economist you could basically range across the whole portfolio.*

NORRIS: Yeah. The Agency required an economic analysis for all projects. I only resisted when they tried to require economic analysis of family planning or education. It is just not needed. It was just a waste of time, because if you had any sense at all you knew those things were essential.

*Q: So your French got to be pretty good I would think.*

NORRIS: Yes. I gave speeches in French. They were probably with a terrible accent and certainly not always grammatically correct, but it was OK. Our older daughter, when we left, had just finished kindergarten at a public French school and before that she had gone to a Montessori School with French language so she was fluent in French and we had maids that told them stories in French. We had a wonderful maid who was an illiterate but she had worked for French families so she had all of the fairy tales down cold. She would tell the children these wonderful stories about Blanche-Neige and what have you.

Suzanne's French was perfect and with a good accent. We were on vacation in France one time driving from Paris. We bought a car and drove it to Marseilles to come back to Tunisia on the ferry. We were driving along and there was one point where I was somewhat lost so I stopped to ask somebody who was on the side of the road where was I and how do I go there? A pretty straightforward conversation. As we drove off, I heard Suzanne and Erica talking French together in the back seat. Laughing uproariously and talking some more and laughing uproariously. My initial thought was isn't that great that they can converse in French. It took me a while to realize that what they were doing was making fun of my terrible accent.

*Q: Out of curiosity have they retained their French.*

NORRIS: No, absolutely not. They both have very good pronunciation when they say anything in French now, but they lost everything else in total. When we went to Indonesia, which was our next assignment, we really made an effort to talk to them in French just to try to keep it up, but it was like we were an immigrant family trying to maintain the old ways, they just weren't having any of it. It was just too bad.

*Q: Any Colonial accoutrements.*

NORRIS: There were a few French and Italians who stayed on in Tunisia after independence. Tunisia basically said to the local expatriates when independence came: You choose. Either you are French or you are Tunisian. If you choose to be Tunisian you are Tunisian. Whatever you have, you have. If you are French you can't stay. Sell what you have and be gone. Most left, but some stayed. So it was a country that was culturally halfway between Europe and the Middle East and in many ways a very comfortable place to begin overseas life.

*Q: And Americans were popular, I mean not after the '67 war but in general.*

NORRIS: In general they were popular. Kennedy was extraordinarily popular. You would see pictures of him in shops. There would always be a picture of Bourguiba and there would often be a picture of JFK. And in a number of cases, Muhammad Ali also. We had friends visit us at one time and we were wandering around the souks looking at things and went into one shop which happened to be selling the little red hats.

*Q: The Tarbush.*

NORRIS: Yeah and the owner asked where we were from. Oh America! Wonderful. He gave our friends one of those Tarbushes as a gift. America was very popular. In the '67 war there was a problem.

*Q: So actually you said you had a tour and then you extended so...*

NORRIS: Yeah, we extended and I don't remember all the details now but we ended up spending 5 ½ years there. We had a 100 year old house in the center of Carthage on the top of Byrsa.

*Q: Oh my goodness I know that area.*

NORRIS: It overlooked the Punic Ports and the Bay of Tunis. With all the bougainvilleas, it was just gorgeous.

*Q: A long way from Fargo.*

NORRIS: A long way from Fargo. Right. And I would have to say going back to the very beginning there was a certain adjustment to being overseas in the Foreign Service. It was a different culture.

*Q: It was the first time overseas too.*

NORRIS: It was the first time overseas, but Tunisia wasn't difficult to adjust to.

*Q: But the corporate culture.*

NORRIS: In the Foreign Service you had the corporate culture broadly defined. I mean, remember this was before the '73 State Department airgram that came out that said employees are employees and spouses are spouses.

*Q: So Cathy got dragooned into...*

NORRIS: Oh yeah, very much so and the spouses had confidential efficiency reports written on them. They were never supposed to see them of course. Employees also had confidential reports that they weren't supposed to see. I got along well with my supervisor's secretary so whenever there was a completed efficiency report on me or Cathy she would ask me to take it down to the personnel office. So of course I read them, which of course she knew I was going to do. But there wasn't anything terribly alarming in them. One of the raters said Mrs. Norris is an enigma to him. Which I thought was amusing - Cathy less so.

*Q: Is that positive?*

NORRIS: I don't know if enigma was positive or negative. I don't know, probably negative, but anyway we made our adjustment to Foreign Service life, although Cathy was not particularly happy about having...

*Q: Could she work? Or at that point you had young children.*

NORRIS: We had young children so she didn't work. Glenn Lehman's wife was absolutely a lovely person and was a big help getting us settled and there was no issue

about being dragooned or directed by her, but that was not the case with all of the wives and indeed some of the embassy wives would call up and say this is what you need to do.

*Q: I need 20 cucumber sandwiches.*

NORRIS: Right.

*Q: Yeah, I think people nowadays can't even envision what it was like to be in that kind of a company town environment.*

NORRIS: Well it was a combination of a company town and a small town with the strengths and weaknesses of that sort of a situation. But I mean things were also changing more broadly in the United States. When we first arrived in the mission women employees were not allowed to wear pantsuits. Unthinkable. Then eventually people realized they should be worrying about other things.

*Q: Yes but that was probably still a time where AID officers who got married one had to quit right. Usually it was the woman.*

NORRIS: Well I thought it was a matter of choice as to who would quit. But Anne Aarnes told me that was not it at all. It was the wife who had to quit. The female was going to quit. There was no choice involved. So it was even worse than I thought.

*Q: We are continuing our conversation with Jim Norris on April 30 and he is just wrapping up his time in Tunisia.*

NORRIS: Right, so we left in the summer of '71. We were in Indonesia from '71 to '76.

*Q: Without coming back to the United States.*

NORRIS: Oh, we came back on home leave. I don't think we took R&R on the whole. There were too many interesting things to do in both of those countries.

### **USAID/Indonesia, Economic Advisor/Program Economist: 1971 - 1976**

*Q: Did you go as a program economist?*

NORRIS: To Indonesia I went as an economic advisor to the mission director. The man I had worked for in Tunis was the economic advisor in the Indonesia AID mission and he had to leave earlier than expected and that fit into what I was looking for that summer. So I went there and for the first year or two I was an economic advisor. They had somewhat of a reshuffle in the mission after two years and they moved the economic advisor into the program office and I became the program economist. I saw it as a demotion and I was mildly upset. But I continued doing exactly the same thing as before. It had no impact whatsoever on the job. Walter Bollinger was the program officer at that time. The first program officer in Indonesia while I was there was Louise Ramey, who was a truly

great person to work for. Walter was an old friend from Tunisia, where we both were in the program office. It all worked out very nicely.

*Q: So, this was only six years after the revolution, a very bloody revolution in Indonesia. Was the program affected by that? What was the political climate like?*

NORRIS: In '71 there were still concerns about whether Suharto was in effective control of the government. There were provincial military governors on each of the main islands and it was not clear whether they saw themselves as under the control of the central government. So, I think that was a concern that existed, but it rapidly became clear that wasn't supported by reality. The country was going to hang together, probably. It had lots of issues but hanging together wasn't really one of them. As far as the bloody coup was concerned I don't think any of us from that time saw any effect at all except for one thing. That was we had a 25% post differential. I can remember asking the admin counselor at the Embassy: How do we justify a 25% differential. I mean, this was a pretty nice place to live. Although, there were little bits of oddities here and there. He said, "Well the climate is difficult; the health care is not so good, but the main thing is we are all living in fear." I said, "Fear?" He said, "Yes, we are all living in fear of losing our differential." They eventually did. But I was again in a good mission. Dick Cashin was the director for most of the time I was there. I thoroughly enjoyed working with him. It was a broad program. There were program loans, projects to build highways, irrigation systems, power plants, a lot of technical assistance activities. We were very active.

*Q: And then the family planning was also picking up.*

NORRIS: Jarrett Clinton was there. Whom I am sure you worked with very closely.

*Q: Yes, I did.*

NORRIS: Very impressive fellow. I tried to get him to Russia when I was mission director. It was a good program. Again it was an interesting program with lots of things to learn about. A very interesting donor community. The World Bank had a very substantial office, unlike most World Bank programs at that time, which didn't have field missions. It was headed by a fellow who really had delegated to him pretty much autonomy to do what needed to be done. At the senior economic levels in Indonesia the ministers and the very senior people were very impressive. It got weaker when you went below that.

*Q: You mean they had advanced degrees from outside the country.*

NORRIS: Yeah, they were referred to as the Berkeley mafia. The Ford Foundation had sent a number of people to the States who had gone to Berkley and had gotten Ph.Ds. and were very capable, very reform minded and relied on a great deal by Suharto. There was a big Harvard development advisory service group that was there at that time. The IMF had an office there that worked very closely with them. Again my responsibilities were economic analysis for projects which we had to do, but I really came to think that was for form's sake. Because once an idea got to the point where you could do an economic

analysis of it, it had been thought about enough that it wasn't a dog. It had reasonable merit and it also had a lot of momentum.

*Q: Right, so it was virtual commitments.*

NORRIS: It was a virtual commitment. So if you did the economic analysis of something bad that had slipped through, there would be some possibility of stopping it. But the people who were developing these projects weren't idiots. I mean they developed things that on the whole made developmental sense so when you got to do the economic analysis it also made economic sense.

*Q: Do you remember ever either shooting down or tweaking a project on economic grounds?*

NORRIS: Only once. The Jagorawi highway that goes from Jakarta to Bogor which is a little city in the hills. From a strict economic analysis point of view, it was definitely marginal. Arguable, but marginal. So, we basically came down negatively on that.

*Q: It happened.*

NORRIS: Washington was having none of our analysis. But, in any event, I was much more interested in the economic analysis of policy issues and the balance of payments where I thought that in fact you could make a contribution. But I ought to go back and say the people in Washington who dealt with the program were also very strong. There was Ted Lustig, Sy Nisenbaum. Of course, Alex Shakow was on the desk, so these were all people who were very forceful, very capable, and very competent. It was fun working with them. I think the Jagorawi highway was our only significant disagreement..

*Q: Yes?*

NORRIS: One has to be realistic. When you are doing an economic analysis like that there is an enormous amount of uncertainty. What are the costs and benefits? The primary costs are pretty well defined. The secondary costs are often of interest but they are very poorly defined. Both the primary and secondary benefits are subject to much uncertainty. Anyway, so you come up with the best thing that you can do, but you also have to understand it is an approximation. In fact, we shouldn't get too upset when you had something that appeared to be economically marginal. That people took different views of whether this ought to go forward.

*Q: Right. During your time there did your portfolio change appreciably. Do you remember phasing out of certain sectors or maybe not going into new ones? Like rural electrification for example.*

NORRIS: Well that reminds me of a couple of things. We weren't into rural electrification until Tom Niblock arrived right at the end of the time I was there. Tom Niblock, unlike Dick Cashin, was only interested in economic analysis if it supported

what he wanted to do. Economic analysis of rural electrification didn't support it and he intended to do rural electrification. I sort of left in the middle of that discussion, but again that is an example of something where benefits are very difficult to quantify. So to the extent you could quantify it, it didn't look like a very good idea. At the same time, you had to realize there were a lot of things that you couldn't quantify. So, it often came down to more of a philosophical view of what is worth doing.

But talking about programs. I didn't go into more detail, but there were two things that I was responsible for in terms of strategic planning for Indonesia. I led the first effort to put together a long term strategy for Indonesia. This was before the price of oil went up. I did the usual exercise which was accepted by Washington and accepted all over town as well. But after the price of oil went up we had another exercise which was to prepare a phase out strategy for Indonesia. So we did that. We put together a phase out strategy that took into account all the things you expected.

*Q: Because it was now so much more wealthy.*

NORRIS: It had so much more money. Because it was a phase out strategy, it was all classified and worked out with all the Embassy folk, who weren't too enthused about phasing out the program. The AID mission wasn't too enthused either, but it was something we were told to do and so we did it. Back to Washington it went in draft. Washington reviewed it and commented on it and revised it. The AID Indonesia desk officer asked his secretary to send it to the embassy for comments. He was thinking of the American embassy in Jakarta; she was thinking of the Indonesian embassy in Washington. So, she sent it to the Indonesian Embassy. I am sure it was confidential rather than secret, but it was definitely sensitive and it was a classified document. No one realized what had happened until the deputy Indonesian economic counselor in the Indonesian embassy called up and asked if they could have a little more time to review it because the economic counselor was out of town.

*Q: Wow.*

NORRIS: Dan Parker was administrator at that time and they told him about it, of course. Apparently that was the only time anybody ever saw Dan Parker laugh. He was really amused. And, of course, the program didn't get phased out. And again, as an example, there are many reasons why it may be useful to have an AID program. Financial need is one, but cultural and social change and democratic development and god knows what other things can make it entirely desirable to continue an AID program.

*Q: Was the idea of an income threshold above which you have got to think about phase out, was that something that congress imposed with the small is beautiful or was that something that AID's policy dictated?*

NORRIS: I guess I don't really remember regarding Indonesia. I do know that when I was back in Washington, jumping ahead a little bit, as Bangladesh and India office director, we were always going through exercises that IDCA wanted us to do. About what

should be the level of assistance based upon the level of poverty, based upon income levels, and what have you. You do that exercise and India always came out that it should be getting multiples of what it was getting and other countries like Egypt should be getting fractions. So it was a wildly useless exercise.

*Q: As many of those exercises were.*

NORRIS: So, I don't know what exactly was the thinking other than Indonesia had become rich. And that reminds me of another little story. In '73, I think it was, the price of oil went from \$2.00 a barrel to \$12 a barrel. Essentially all of the oil in Indonesia was drilled and produced by foreign contractors. The profits split with Indonesia. What was called profit sharing, production sharing - I forget exactly what it was, but it was a percentage split of the revenue with the company. That was a percentage that had been negotiated when the price of oil was \$1.50 a barrel and they figured out what the costs of productions were and then figured out what that should mean in terms of profit and how the profit was going to get split between Indonesia and the oil companies. Well when the price of oil went from \$2.00 barrel to \$12.00 a barrel, the cost of production did not change. I was analyzing this and I was thinking: Gee, Indonesia really has a basis for renegotiating these contracts, because things have just drastically changed. I didn't want to go to the Indonesian government myself and say this so I went to the IMF rep that I had a good working relationship with and said, "Look at this. Does this not hang together the way I think it does?" He agreed, so the IMF took the analysis to the government and the government said this is very interesting.

*Q: And your fingerprints weren't on it.*

NORRIS: My fingerprints weren't on it directly, but the oil companies found out that the idea had come from the USAID. And they just went ballistic. They went to the Ambassador, who I think at that time was David Newsom, and complained bitterly about the Embassy and USAID having anything to do with this and the IMF having anything to do with this. As if it was any of our business. Newsom listened to them, but actually didn't do anything. The contract renegotiations just went ahead. I had to go on home leave as that was happening. So, I told the IMF officer that, when I come back, if he was driving a Mercedes and negotiations hadn't changed the contracts, I would be very suspicious. Anyway, Indonesia did change the contracts.

*Q: How big an impact?*

NORRIS: In today's prices over a billion dollars a year. So, we were talking about serious money. I think that left the Indonesian government thinking positively about the United States government and the AID program. So that was interesting.

*Q: So, they did know it was your analysis.*

NORRIS: I don't know whether they knew it was my analysis. They knew it had come from USAID.

*Q: And the oil companies I guess it was take it or leave it.*

NORRIS: Yeah, basically. I mean it would have been unconscionable not to re-negotiate when things had just changed so drastically. And if I hadn't suggested it, someone else would have eventually.

*Q: At that point was the economy very dependent on the oil or was it fairly diversified.*

NORRIS: No, it was very dependent on oil for foreign exchange.

*Q: And mining I guess.*

NORRIS: Mining was just beginning. The things in Irian Jaya were beginning. I always had to do economic briefings for visitors, but for the life of me I can't remember the details now, but it was an interesting place to be.

*Q: Well you mentioned David Newsom. He clearly appreciated what AID brought to the table. He was not micromanaging?*

NORRIS: No. That is a major point about AID State relations that needs to be mentioned in several places. But up through Pakistan, which I left in '92, in every mission that I was in, the Embassy concerned itself with strategic issues and short term foreign policy concerns, they never got involved in AID projects, never got involved in operations. And my reading of the oral histories of the ambassadors and DCMs is they didn't pay that much attention to AID one way or another, because their focus was on a shorter time frame that was very different from what AID's long term focus was, but it didn't seem to bother them.

*Q: So, only when it becomes a political kerfuffle as in the case of re-negotiating the terms of the oil leases that the ambassador might get involved.*

NORRIS: But even then, it was only to be aware of what was going on.

*Q: That obviously changed over time.*

NORRIS: Yeah, that changed over time and when we get to Russia we will talk about that.

*Q: Yes, in spades. So, it was a positive but somewhat hands-off relationship between AID and State.*

NORRIS: Very much so. I think that in Indonesia because my focus was economics I certainly didn't know all of what Dick Cashin had to contend with. I do remember on occasion his being quite irritated with the economic section in the embassy as being intrusive, but I was never conscious of any intrusion. I worked closely with the economic

office. I always went to their staff meetings. I did an overall fiscal analysis of the Indonesian situation after the price of oil had gone up that the economic counselor found to be interesting. He had a seminar to discuss it. He invited a group of Indonesian officials to sit down and talk about the issues the paper raised. But from an economic point of view it was a very interesting place to be. I mentioned that Harvard had a big presence; the World Bank had a big presence; the IMF had a big presence. There was a lot of activity. Of course, AID did not have the kind of presence that it had earlier when I think we had about 2000 people associated with the AID mission.

*Q: Was that when Sukarno was there?*

NORRIS: Yes. In fact, the AID office had been in a large building that when we were there was occupied by the UN. But those were different days.

*Q: Right. Well let me just ask about those days. This is Indonesia but you were in the neighborhood and this was when Vietnam was basically pulling U.S. foreign policy and relations this way and that. Did it affect you at all?*

NORRIS: Not at all. I think we got people who when they were evacuated would come down there, but no programmatic impact.

*Q: And the reputation of the U.S. was not affected by it?*

NORRIS: No. Indonesia, from a foreign policy point of view, was concerned about China. They were concerned about Communists, because they had had the attempted communist coup, and they were concerned about the Chinese minority in Indonesia. So, they didn't want anything to happen that benefitted communists. They didn't want anything to happen that benefitted China. So, they were really not concerned about Vietnam.

*Q: While you are looking at your notes, did it feel as if Indonesia was really taking off? To get at the same question, did you leave optimistic about this country? Were there enough red flags?*

NORRIS: There was an enormous red flag with regard to corruption. There was just blatant corruption in Indonesia. Indonesia hadn't really started to take off economically. We all thought it had a lot of potential. But again, I was cautiously optimistic but not wildly optimistic regarding economic growth. I was very pessimistic regarding democratic evolution. But then of course they became one of the Asian tigers and did very well economically. And they have done much better than I expected regarding a transition to democracy. I really never thought the military would relinquish direct control without a blood bath.

*Q: But you couldn't have predicted that necessarily from what you saw in '75-'76.*

NORRIS: I wouldn't have. Maybe there were other observers who were there who would have, but there were still a lot of suboptimal government policies. They had price controls and subsidies on wheat. They had government procurement of rice. Both of which functioned in counterproductive ways. We did do some analysis of wheat pricing policies which the government reacted positively to and started to change the system. So, I think the issues with regard to wheat slowly went away. They had a bad rice crop. I forget what year that was, but on the basis of what we could analyze about the rice economy we thought there was a real chance the price would double and that there would be real problems. In fact, the price did double and there were real problems, but many of them were of Indonesia's own making. The government wanted to have central control of rice stocks so at the central level they would give each province a target for procurement and they would inflate the target just a little bit for the next level down, and so on down to the lowest government unit, where the targets were wildly unreasonable.

*Q: Sounds very Soviet.*

NORRIS: It was. They would inflate the target and it would just work its way down. By the time it got to the bottom...

*Q: You want me to pick how much?*

NORRIS: Right. So, it was just awful. Then, because they had a rice shortage, they sent out international procurement teams, but it wasn't a team it was teams - competing teams. So, they were bidding up the price of rice against themselves and it was just a mess. Of course, they got through it. Of course, rice introduces Congressman Otto Passman. Otto Passman would come to Indonesia interested in negotiating rice sales that would benefit Louisiana rice growers. There was an infamous visit in which Dick Cashin was taking him around to government ministers- I guess along with the AG attaché - and at one point Passman told the two of them that they could leave. That he would continue the negotiations with the Indonesians by himself. So, we never knew exactly what happened, but we did know that part of the visit involved making sure there were young ladies that were sent to his hotel in the evening. But that was what Passman was interested in, as well as two other main things. He was interested in rice exports from Louisiana and being able to engage in a show of criticizing AID in Congress.

*Q: He did an excellent job of the latter. Can you say more about corruption?*

NORRIS: It was just pervasive.

*Q: And probably not even labeled corruption.*

NORRIS: No, in fact what I was told was it was essentially institutionalized. That if you were in a certain position you were expected to do...

*Q: Part of your salary.*

NORRIS: Right and you were supposed to be getting money in various ways and you were supposed to be passing it up through the system in certain ways and you only got into trouble if you didn't pass it the way you were supposed to. So that was pervasive. I mean sometimes there would be something that would happen and we would ask ourselves why on earth would they do that? Then you had to step back and ask who is going to make money from doing it that way, and then you could understand it.

*Q: It wasn't just individual venial actors it really was institutionalized.*

NORRIS: It was institutionalized. Sometimes people at the most senior level, when they saw things were getting really out of hand, would stop something, but more often than not they wouldn't. If there was anything that I thought would prevent Indonesia from getting anywhere, it would have been corruption.

*Q: So, you mention Otto Passman but in your career in Indonesia you must have had other CODELs come through.*

NORRIS: I never got involved in having to deal with CODELs until I became a mission director. Up until then or when I was a DAA I never had to go talk to Congressmen. So no, when I was in more junior positions it never impacted on me. Of course, there were times when I was in Indonesia when everybody got dragged in to do something to support a CODEL. Also, sometimes I would have to give economic briefings to CODELs or StaffDels. In some instances, the military would have somebody senior come through and I would give a little economic brief.

*Q: That was not a big part of your life.*

NORRIS: It didn't affect me. What else did I do? When I was in Indonesia it was the first time I had to prepare an efficiency report on an American employee. This was when...

*Q: The first time you had to actually supervise them.*

NORRIS: The first time I had to supervise an American. So, it was the first time I had to prepare a report. The assistant program economist I was working with was a very capable fellow. After I left he got the Jump Award as the agency's outstanding junior officer. He was great. Well the guidance for the efficiency reports emphasized candor. Nobody is perfect, etc. So, I learned the hard way. I gave him a very positive efficiency report and I pointed out areas for improvement.

*Q: As you were required to do.*

NORRIS: Instructed to do, yes. He got ranked in the bottom quarter. It was just horrendous. So, I learned you had to deal with negatives in efficiency reports in a very, very nuanced way.

*Q: If at all. I don't think AID has cracked that nut yet.*

NORRIS: I had a sense that AID kept trying to perfect the evaluation system. And they kept trying to accomplish all sorts of things to make sure that the right people got promoted and the wrong people didn't and that there were no personal biases that entered in. I can remember early on someone telling me that Bob Nooter, when he was deputy administrator, for several years after the promotions were decided upon he would call up senior staff, who had a sense of who was what, and ask them: Well, what is your sense of it? It was always the same. It didn't make any difference what the system was or who was managing it, about 85% of the promotions were the right thing. Then five or ten percent of it were people who were promoted who shouldn't have and the other five or ten percent were people who didn't get promoted who should have.

The effort to be neutral and even handed and careful and cautious and complete is just overwhelmingly onerous and doesn't result in anything. Basically, the AID missions shut down for about a month every time they had to do these things.

*Q: Always. And then because it creates its own industry I understand that some of this is contracted out.*

NORRIS: Oh really?

*Q: I think so where people are sort of helped to do their...*

NORRIS: Well I knew Anne Aarnes said she did something where one of her jobs was to sort of guide and advise people as to how they should prepare the evaluations.

*Q: Right, after she retired. And so, I think contractors do come in and help. Obviously not contractors on the street but somebody who is...*

NORRIS: Right. I don't know, but it is a system that has a down side.

*Q: A huge downside. I suppose there was some argument that you don't want it just to be the old boys club where you get along and go along.*

NORRIS: Exactly. But at what cost and whether the different systems have fewer problems. I am not persuaded that they do.

*Q: Right. So, this fellow who got ranked the wrong way. Did his career recover? I mean he got the Jump Award.*

NORRIS: He got the award. He also left the agency. But he left the agency for family reasons. He had to go back to the States. He is actually working for USDA in Washington now.

*Q: Is that right? Still.*

NORRIS: Well he may have retired by now.

*Q: Well now I wish I could say I have heard of better evaluation systems but I haven't. I have seen it in the NGO world and have seen it in the foundation world and I don't think any of them work particularly well.*

NORRIS: Well they are all an effort to avoid the old boy syndrome. Each boss deciding who should get promoted, and there are obviously downsides to that. But I don't know whether that downside is any worse than what we have. I mean, if you have to be very careful who your supervisors are, that is a problem too sometimes.

*Q: So, Indonesia it was a three and then a two year extension?*

NORRIS: I can't remember which was which. But it ended up being five years in total.

*Q: Were you ready to leave when the time came?*

NORRIS: Yeah. I think so. We very much enjoyed Indonesia, but after five years it was time to move on. The schools were good. Our children did well in the schools. It was a nice community and a nice setting. Everybody enjoyed it. Cathy wasn't working. She was in charge of landscaping the local international school system which had an enormous campus. That was interesting. It got her interested in gardening. She enjoyed that.

*Q: Gardening in the tropics, I imagine you could put a stick in and it grows into a tree.*

NORRIS: Shove a stick in and it would sprout. There were a lot of interesting things to do in addition to my job, which was fascinating. Indonesia is a wonderful place to travel. Artistically it was also very appealing. We bought a lot of paintings and some gorgeous wood carvings.. We bought a boat, a little bit of everything. It was fun.

*Q: Did you make personal friendships with the Indonesians? Would they, could you entertain informally?*

NORRIS: We found that very difficult. My sense was that nearly everybody found it difficult. I would say we never established many close friends with the Indonesians. There was a fellow in the ministry of the economy that I got reasonably close to. And I would say a lot of international friends but no, not that many Indonesian friends. It was easier in Tunisia as a matter of fact to interact with people.

*Q: Did you learn Bahasa? No, didn't need it?*

NORRIS: Didn't need it - just enough to get around. Just like Russian, enough to get around. Take taxis. That was enough. Russia was a country where it would have been very desirable to speak the language. Pakistan it didn't make any difference at all. The Pakistanis almost spoke better English than I did. The same thing in Bangladesh and

Egypt. So what else is there about Indonesia? We developed a project with the Harvard group, funded a project with the Harvard group.

*Q: Was that HIID?*

NORRIS: At that time, it was HDAS. The same thing, but they changed the name. They worked with Indonesians to prepare economic policy papers. They went to the ministries. I think that was a good project. I was a bit concerned when about 20 or more years later after I retired there was a project for which I was asked if I was interested in being chief of party to go out and essentially implement the same thing again. It made me feel a little bit despondent. Anyway, we left Indonesia in the summer of '76. I suppose one thing I should mention was our son nearly died when we were in Indonesia.

*Q: Was he born there?*

NORRIS: No, he was born in Torrejón, Spain, where we went to the US air force hospital from Tunisia. He was a year and a half old when we came to Indonesia and he had an intussusception, which is not a problem if you catch it right away. But it was not caught right away. So, he had to be evacuated to Singapore and had three operations.

*Q: Oh my gosh, is he OK?*

NORRIS: Yeah, he is fine. 6'2" 250 pounds.

*Q: I guess, was it basically sepsis?*

NORRIS: Well it was basically everything. They had to go in, cut out part of the intestines, put it back together again. Peritonitis. It came apart again so they had to go back in and then it came apart another time. They finally had a professor of surgery from one of the Singapore medical schools to come and do the operation. He lost about 1/3 of his weight but he was fortunately a very husky little boy.

*Q: That will be in your mind forever.*

NORRIS: Indeed. That was probably the worst thing that ever happened to our family.

*Q: I guess the medical system in Singapore even then was pretty exceptional.*

NORRIS: Glen Eagles hospital had excellent British and Singaporean doctors at that time. Some of the nurses were very good; some of the nurses were less good, but they did what they had to do and it eventually worked.

*Q: That is great.*

NORRIS: So.

*Q: Do you want to take another break or do you want to stop and we will resume another time? I can't tell whether you are tired.*

NORRIS: I am OK, let's keep on going.

*Q: OK, let's do it.*

NORRIS: I can't remember now when I was leaving Indonesia where it was they wanted me to go.

*Q: You have had two Muslim countries.*

NORRIS: I ended up having five Muslim countries. I don't think that was ever part of the planning or thinking about it. I was scheduled to go someplace and then the AID economist who was supposed to go to Cairo got a horrendous security violation in Vietnam. He left everything unlocked or something. Whatever it was he got a number of them so they basically said you can't go overseas. He was slated to go to Cairo. He couldn't go so they slotted me to go there. That was in '76. There had just been the Camp David Accords a year or so prior to that.

*Q: So very positive feelings right then.*

#### **USAID/Egypt, Program Economist: 1976 - 1980**

NORRIS: Right, and when we got there I think there were maybe a dozen Americans in the AID mission. Everybody was cheek by jowl in very cramped spaces. I think four of us, John Blackton, George Laudato, Bob Maushammer and myself were all in one room.

*Q: It was in Garden City at the time.*

NORRIS: Yes - on the old embassy grounds. That was an interesting time to be there. The embassy was totally unprepared for coping administratively with an AID mission. The Admin Counselor was freaking out and the Ambassador didn't want an AID mission, in any event. He wanted the program to operate out of the economic counselor's office with minimal staff. But I never got involved in those discussions. That was Don Brown's cross to bear. He bore it very well. It worked out.

*Q: You were again a program economist.*

NORRIS: I was a program economist.

*Q: But you must have been building programs like mad because you didn't have the portfolio to absorb the funding.*

NORRIS: Oh absolutely. That is what people were doing frantically - putting programs together. Bob Bakley was there as head of the project office. Of course, he was extremely

capable. We had a big commodity import loan as well as all our projects in all sorts of different areas. The phone system simply didn't work and the water and sewer systems were marginal, at best.

*Q: I remember that. You could simply not call across town.*

NORRIS: People would have a phone but it simply wasn't worth bothering with. Only occasionally you could get through. The sewer system was overwhelmed. In some of the poorer areas there would be sewage a foot deep on the streets. There was actually one sewer treatment plant in Cairo where what was coming out of the plant was worse than what was going into it. The water system was fragile. The electrical, I mean you name it; it was a problem. Of course, at that time Egypt was still very much the legacy of Nasser's socialist economy. And the military had a big role in industry. Still does, same thing with Pakistan. It is hard to get out of that once you have gotten into that situation. It is just destructive of a market economy. But anyway, there were a lot of economic analyses that were done that went into the projects. But again, the same sort of thing I mentioned before, developmentally knowledgeable and basically sensible people putting the projects together so they made developmental sense. Economic analysis would then show that they made economic sense. I was never quite sure whether it was worth anybody's time doing that.

*Q: You probably did lots of other things too.*

NORRIS: Well there were other things. We had good working relationships with the World Bank and with the IMF. We worked closely with the Fund when they were putting together their first standby arrangement with Egypt. Egypt of course at the political level at that time felt there should be a complete parallel with the support being provided to Israel. In other words just a cash transfer. And there was some support for that in the Embassy and I think in Washington.

*Q: What do you think would have happened if they had prevailed and had gotten a check?*

NORRIS: If they had prevailed and had just gotten a check, Egypt would have been able to afford its counterproductive subsidized systems for considerably longer. The public enterprises would have been able to limp along for a bit longer. They undoubtedly would have spent some money on water and sewage and traffic and other useful things, but nothing like what they needed or what we did. So, I think it would have been a disaster. We will get into it later but it does emphasize that for AID to be useful in a developmental sense and to help systems to change, AID has to have a time perspective of decades. Ten years is nothing, twenty years is minimal. Depending on the situation you may well have to think in terms of thirty years. After I retired from AID, I did go back to Cairo as chief of party for an economic policy reform project. The changes in Egypt over 20 years were very significant. There was a functioning private sector, there were far less subsidies than there had been. The economy was still totally screwed up in several areas because basically Egypt has only made fundamental reforms when their

back was against the wall and they had no choice. But over the period of 20 years, there had been very substantial changes. There was an educated functioning private sector. Still too many controls, too many licenses, too many bureaucratic regulations. But a big change. A lot of progress. Egypt has enormous potential but they have just got their economy so screwed up. Of course, politically you have got serious issues.

*Q: You have got the military which runs an awful lot of the economy. There was a time when they could attract a broad investment. Now I think the investment is mainly from the Gulf. And yet there are sort of glimmers of hope that they can do something. And take off.*

NORRIS: It is a government that inadvertently has its foot on the brake in many respects. So, what to say about the program.

*Q: So how do you go about building, and you had to do this in several of your assignments almost starting from scratch. And building a portfolio. I think often you don't have the luxury of sitting back for years and taking that 30-year horizon. The money is coming and the money has got to be committed.*

NORRIS: Right, but while you have to put things together immediately, it is essential to do that within a framework of understanding as to what systemic changes are needed over the long term.

*Q: So, what would you say? What would you say to the next team that has to do this?*

NORRIS: Well you have to have people, both American and hopefully local, involved who have a fundamental sense of what is important in development and what various sectors require. You have to start with that. Then you have to find people you can work with, targets of opportunity and I think that is what you build on. If you don't have people who have a sense as to what the economy needs or whether, for example, the education system is the big problem, you have a big challenge. Is it subsidized pricing that is the big problem? Is it the lack of infrastructure? Is it the balance of payments? You know they have to have a sense of where things are seriously screwed up and diverging from what is going to be necessary in the long term for good development. Then AID has to find out whether there is anybody in the country in those areas that they can work with. Then they have to see within the overall political context and with those counterparts where the things you can start working on are, and I think that is what they did.

*Q: Right. In the case of Egypt and probably also in the case of Russia later on, there was so much wrong. Still you can't do it all so...*

NORRIS: You can't do it all and ...

*Q: But finding the counterparts that you can work with plays a really important role.*

NORRIS: It plays a very important role and oftentimes you can't work on what are the most important things because you can't find the right counterparts or there is entrenched opposition.

*Q: They are just not touchable.*

NORRIS: They are not politically touchable. Or there is no counterpart. So that is where experience is really necessary. Don Brown really was the right leader for the program. He had strong technical divisions who had a sense of the needs, as I was describing earlier - What needs to be done in agriculture. What can you do in agriculture? Who can we work with in agriculture? Same thing in electric power, but they had weak or shallow economic leadership in the country at that time. That also makes it very difficult. One of the projects that I managed was a project between MIT and Cairo University. People teased me that I just wanted to get to be a professor at MIT. Their funding went on for 12 years.

*Q: What was the focus?*

NORRIS: The focus was to develop the capability at Cairo University to provide broad economic and technical advice to the government. There were about 20 MIT faculty that were involved. They would come out periodically and work with the Egyptians. The Egyptians would basically do the work, but alongside the MIT professors. They did everything from traffic planning in Cairo, to modeling Nile water flow, to electricity pricing, to irrigation planning. I mean they were everywhere. I am not sure how well that got institutionalized, but they were doing great work while they were doing it. There were many Egyptians who were actively participating.

*Q: There must have been a lot of training.*

NORRIS: A lot of participant training for Ph.Ds. One of the participants ultimately became Minister of Economy. He was a major reformer. So again, when I came back and was there '99 to 2003 you could see further big changes in terms of competency levels within the government and within the private sector. Enormous changes that made a big difference.

*Q: Now were you there at the assassination?*

NORRIS: No, I was there when Sadat went to Jerusalem, which was an enormously exciting, emotional event. People just couldn't believe it. The Egyptians were so happy, so relieved that things had changed. They believed they no longer had to worry about the possibility of war. They were just so delighted. Rather than this being a controversial action on his part, it was wildly supported within Egypt by the bulk of the population. After he did that and more things were worked out and things were coming along the first Israeli delegation of visitors came to Egypt and they went to various places. The suburb that we lived in at that time was Maadi. The Egyptians hung a big banner across the main street, "Welcome to Maadi, Home of Rabbi so and so" who had been an historic person in Egypt at an earlier stage. Egyptians were just euphoric. People came out into the street

and applauded the Israeli delegation. I would have to say that my impression was that the Israelis used that changed strategic situation for short term tactical advantage. They didn't see it as a strategic opening to change the whole setting and it just all seeped into the sand.

*Q: It is interesting that your perspective was that it was broadly accepted and happily accepted.*

NORRIS: Well Sadat was assassinated so obviously it wasn't completely accepted, but I am convinced that the vast majority of Egyptians were pleased. Unfortunately, it only takes a few percent to fundamentally disrupt things.

*Q: But the people you spoke with thought that this was opening up new opportunities for Egypt and probably thought of the investments and other things that would follow.*

NORRIS: I don't know if they thought about investments as much as just no more war. No more tension. We can just relax and have normal relations. It was very touching actually.

*Q: So, did you, I have always found the Egyptians actually very open, especially educated Egyptians, open to conversation with Westerners in a way that perhaps other people in the middle east are not. Did you actually make friendships?*

NORRIS: Yeah there were close relations with a number of Egyptians. Very easy to deal with them.

*Q: Great sense of humor.*

NORRIS: Great sense of humor. The United States was very popular. That continued up through... when was the first Gulf War?

*Q: 1991.*

NORRIS: That didn't curdle it. It was George W and the Iraq War that really curdled it. Up until then you could go anywhere and everyone loved the US. We were in Cairo mainly but you could take a taxi and the taxi driver would ask you where are you from? To the extent you could communicate, you would communicate that you were an American. The Egyptians would always say: America number 1. They loved Americans. Then it became that America was good but George W. was awful. Then things steadily deteriorated.

*Q: It went down from there. You weren't there during the Iraq war.*

NORRIS: No.

*Q: You were there in the 70's.*

NORRIS: I was there '76 to '80 as program economist as well as 1999 to 2003 as a COP.

*Q: So, I am struck. Your moves coincide with changes in administration here. So far, so you didn't at least up to this point you didn't experience a change in U.S. administrations while you were on site.*

NORRIS: Well you know the positions that I was in were far enough down in the hierarchy that what was happening in Washington politically just didn't have any effect on me.

*Q: Irrelevant. Yeah.*

NORRIS: Just didn't penetrate. I prepared the development strategy for the Egypt mission and went back to Washington to defend it, but I mean whatever the administration was just didn't impact me. Then that changed of course.

*Q: Yes it did. So those might have been the most optimistic years of the Egypt program. It was growing.*

NORRIS: It was growing but the economy was so tightly controlled. There were so many licenses; there was so much bureaucracy that I think we had a sense that Egypt had enormous potential but had real doubts as to whether they were ever going to realize it. From my point of view going back in '99 to 2003 I had a much more optimistic feel about Egypt at that time. There were always issues of various kinds about the AID program. Tensions in some areas with the government and it got worse later, so the Egyptian view of the AID mission may have been more positive in the 80's than it was in the late 70's or the early 2000's, but it was pretty good when I ....

*Q: Well you were tackling some of the big infrastructure issues, Cairo Alexandria water and sewage and telecommunications. So, I mean those are things that need to happen and it probably created a lot of jobs.*

NORRIS: And it had a big impact.

*Q: It had a huge impact.*

NORRIS: And in all sorts of areas. I know that traffic for example in Cairo, if you have been to Cairo the traffic is\_\_\_\_\_

*Q: I have.*

NORRIS: Well when we were there '76 to '80 the traffic was horrendous. Just oftentimes it was easier to walk a mile to go to a government meeting than to try to drive there. When we came back in '99 there were many more cars than there had been, but the traffic moved. Some of that may have been due to the MIT transportation planning and the

studies that had been done. They put in one-way streets. They put in flyovers and they did all sorts of things. It had an impact. The big impact occurred after I left so I don't know if MIT was really instrumental, but that was certainly an area where we were working.

*Q: Right. At that time the aid was to a very moderate Muslim society. As I recall and please confirm that you saw some Bedouin women with heads covered but the women in universities did not cover and there was a modern western veneer. I imagine that although things may have been working better in the late 90's 2000's visually it would look different with many more signs of conservative Muslim.*

NORRIS: I think there were several things underway. When we were first there in the late 70s we had a maid. A very nice young woman. When she first began working for us - no head coverings and she wore western clothes. Towards the end there were head coverings and less western clothes. But the sense I got was that she wasn't doing it for religious purposes. She was doing it because that put her in a category out in public where she wasn't going to be harassed. When we came back 20 years later I think that the influence was much more heavily Islamic. People were doing it because they were imbued with a Muslim sense of themselves. There was at least one woman in the AID mission - a very good, competent professional, who would not shake hands with a man. She and many of the other women in the mission always wore the head covering. I am certainly not a political scientist but I think that if you press down on a group strongly enough and long enough they start becoming more extreme. I think that is part of what happened in Egypt. There was just no willingness to let Islamic thoughts surface politically and be subject to discussion and in some instances acceptance.

*Q: Partly because also the Muslim Brotherhood represented a political challenge.*

NORRIS: Yeah, indeed. Then when they did come into power it turned out that they were pretty heavy handed and they clearly alarmed and frightened the secular people in Egypt. I think that if there had been some effort at earlier accommodation, the same in Tunisia. If there had been more effort in opening the society to competing views and doing it gradually and gently rather than suppressing it strongly and in some instances violently you wouldn't have had the same extremist movements.

*Q: Can you think of a country where it has happened that way, sort of the gradual opening up that forestalls more cataclysmic conflict.*

NORRIS: Tunisia has done relatively well in handling it. Certainly not uniformly smoothly, but it is coming along. It was delayed too much so it is not an example of what you are looking for. Indonesia hasn't done too badly. I could not conceive Suharto being replaced in the absence of a complete bloodbath. And he was. But that also hasn't gone completely smoothly and there are things bubbling up that are very worrisome, but in comparison to what I thought was a certainty of bloody chaos, it went relatively well. But I would not say that any of the countries that I have been in have they been terribly good at opening up to divergent views.

*Q: No. I think about your career and certainly what is coming it seems the opposite.*

NORRIS: Yeah pretty much.

*Q: So Egypt was a four-year assignment?*

NORRIS: A four-year assignment.

*Q: And was that a good assignment for your wife and kids?*

NORRIS: Again, Cathy wasn't working. All the children were in school. She went back to work after we returned to the States. The schools overseas were good. Our son in particular, who had some difficulty in school, had a very good teacher in Egypt who really brought him along nicely. This was Mrs. David, a Bangladeshi. A wonderful woman. But on the whole the children had a good education experience overseas. Cathy didn't work and we had a nice time. We enjoyed every place we have been. They were all quite different and we all liked them. The children liked being overseas.

*Q: Have any of them taken an international bent in their own careers?*

NORRIS: No, they haven't. Our son would love to have an international job. Our younger daughter very much likes foreign exposure. Our older daughter and her husband would both enjoy an opportunity to work overseas. They actually met in kindergarten in Tunisia. Then they were in middle school in Cairo. Then they found out they were at Tufts together. Their senior year Suzanne invited Luca to go to the senior prom and one thing led to another.

*Q: That was amazing. Sort of like it was pre-ordained.*

NORRIS: So to speak, yeah.

*Q: All right. How are you doing?*

NORRIS: I think that is maybe enough for today.

*Q: OK, we will stop it.*

*Q: We are continuing our conversation with Jim Norris. Today is May 7. I think we had 15 or so years overseas, and you are probably about to tell your family guess what, we are moving again. I think when we finished you were just wrapping up your time in Egypt.*

#### **AID/W, Asia Bureau, Office Director for Bangladesh and India: 1980 - 1982**

NORRIS: Right, that was the summer of 1980. We had been overseas for 15 years. Obviously came back on R&R and home leave and visited family and friends, but the

children had never really lived in the States. So when we came back in 1980 it was an adjustment for them. As a lot of Foreign Service people say, their children never had any problem with overseas moves, but coming back to the States was a difficult adjustment, because they had never really lived here. They never knew the sort of real social norms in terms of everything. It was actually rather different among the children. Our oldest, Suzanne, came back in the 10<sup>th</sup> grade. The social scene was sort of set and she didn't fit in. She was the outsider. She did fine in school, but she just didn't feel comfortable. Erica on the other hand came back just when children were switching from elementary to middle school.

*Q: So, she was just part of the herd.*

NORRIS: Just part of the herd. She just fit in. She was totally happy. We will get to it later, but when we went back overseas after just 2 1/2 years, our older daughter was delighted to go to boarding school and our younger daughter was devastated to not stay in the school she was in. So, it was a mixed bag.

*Q: Well I think the impact might be even harder because I suspect when they were overseas they idealized life in the U.S. and thought this is going to be great. It will be just like it is on TV. So, it is sort of a double whammy when they get back.*

NORRIS: I think so. But actually, we never had TV when we were overseas for the first 15 years, so it would have been random movies that they would have seen. Actually, that was one of the fringe benefits of being overseas, no TV. They did a lot of reading which was good.

*Q: Absolutely.*

NORRIS: Anyway, so we came back in the summer of 1980. I was office director for Bangladesh and India in the Asia bureau.

*Q: Had you applied? How did that assignment happen?*

NORRIS: Well basically I believe it happened because Don Brown gave me a very good recommendation. Because the then assistant administrator, Jack Sullivan, had a policy of never accepting anybody into the bureau at the office director level without personally interviewing them. And he had never laid eyes on me. So, he always said it was Don Brown's recommendation. There were other jobs that I was interested in in Washington. I was interested in PPC. But I think I was very lucky to get the regional bureau because it really got me involved in the Washington perspective on overseas programs.

*Q: And if my timing is correct PPC would have brought you back under John Bolton.*

NORRIS: No, I would have had six months before the transition. With the transition actually, John Bolton was in GC for a while.

*Q: That is correct.*

But in any event Jack Sullivan was the Assistant Administrator and he was a pleasure to work with. Then there was a transition to a new political administration. Charlie Greenleaf eventually became the Assistant Administrator. He also was good to work with. Rocky Staples was the deputy. Earlier Fred Schieck had been the deputy. They were all great people to work with. So I was in a good place and had a good time. The AID program was certainly larger than the Republicans wanted it to be but smaller than the Democrats wanted it to be. But it was an interesting program and it was sort of fun seeing things from a Washington perspective.

*Q: Right. I am trying to think at that time it was certainly pre-market reform in India. What was the program? There used to be a research component I think.*

NORRIS: Actually, the only thing that I can remember was we had a very large amount of money going into irrigation system development. That was sort of problematic, because all we were doing was giving them money and really didn't have much technical involvement. So, it was hard to argue that we were being very creative in terms of systemic change.

*Q: So wasn't that food for work maybe.*

NORRIS: There was a big food for work program in Bangladesh. And there was a substantial PL480 program in India, but the irrigation program was regular AID dollar funding. But with regard to the India irrigation program we initiated an economic analysis of it and managed to persuade the Agency that money would be better spent elsewhere. Not that we were doing anything bad. It just wasn't qualitatively changing anything. And of course, the Indians weren't particularly interested in donors changing anything in any event. They made it quite clear that they weren't happy to talk to us about anything concerning policy.

Nancy Tumavick became the Bangladesh officer. She was very effective in the inter-agency process. Particularly with regard to the PL480 program. So, at that time we had four or five people on each desk. Now there would be one person, if that. So, it was a nice office with a depth of talent and made a nice introduction to Washington. I enjoyed it.

*Q: Did State Department try any kind of a significant role in the life of AID with respect to those two countries?*

NORRIS: Not from my perspective it didn't.

*Q: At that point I imagine the hill interest in Bangladesh had gone elsewhere.*

NORRIS: Oh yeah absolutely. I don't recall from that period much involvement or interest on the part of the Hill or the State Department, but I enjoyed myself.

## USAID/Bangladesh, Mission Director: 1982 - 1984

*Q: Well lucky is the man who can work in the shadows in Washington.*

NORRIS: God, that is for sure. I mean AID does better when it gets ignored in many instances. But then in '82 I was asked to go to Bangladesh as the mission director to replace Frank Kimball who was coming back to be the agency's first counselor to Peter McPherson. That was fine so we went, Cathy and I and our son. The school there only went up to the eighth grade which is why our two daughters couldn't come.

*Q: How old was your son at that point?*

NORRIS: Let's see. He would have been 12.

*Q: So, you had a couple of years before you had to do something.*

NORRIS: Right, although as it turned out the school started adding grades. I think by the time we left they were pretty close to having a high school. They never added enough grades so that we could bring the girls back. None of us liked that even though Suzanne was quite happy to go to boarding school. Again, as in the case of all of the missions I have been in, it was an interesting program with considerable breadth. There was an excellent staff.

*Q: Decent budget.*

NORRIS: And a decent budget. I think, did I jot down what the budget was? No, I didn't but in any event, it was I think over \$100 million and I think the Title II food for work program was very substantial. There was also a big Title III program. So, it was a substantial budget. Again, not much intrusion from Washington other than the political interest in the family planning program.

*Q: Right which was a big program.*

NORRIS: Which was a very big program and had a great impact. But it involved voluntary sterilization which was a red flag to Jesse Helms among others. So, we had lots of visitors and lots of attacks that the program had to be defended against. That was something I spent a considerable amount of time on. And I would have to say that Peter McPherson was very supportive. I mean he didn't put family planning sort of front and center publicly as a big priority but he thought it was important. He supported it and he defended it very quietly and very effectively. Suzanne Olds was the health/population officer with quite a wide-ranging program. Interestingly enough our population program was also controversial among a subgroup of the foreign donors. Mainly the northern Europeans. They believed it was almost immoral to focus on that rather than child and maternal health. Made me feel like we were being attacked from both the front and the rear. But the program continued and was very successful.

We built a fertilizer plant. We built a hydroelectric dam; both of those were initiated before I got there. We had a big program in agricultural research. A lot of support in assessing ag pricing subsidies. I think that Bangladesh is an excellent example of the necessity of having a long-term view of what you are doing. Bangladesh became independent, I think in the 70's. It was pretty much seen by the United States, definitely by the State Department and Kissinger, as hopeless, as a basket case.

*Q: You know what Moynihan said? He was asked, "Is Bangladesh going down the drain?" He said, "There is no drain big enough."*

NORRIS: I didn't know that. I knew that it was referred to as a basket case, which people really thought it was. And over decades I think we really played an important role in reforming fertilizer policy, fertilizer marketing and distribution and ag research. As well as having a substantial impact on wheat pricing policies and wheat marketing. Bangladesh, I don't know what the situation is now, but it was pretty close to feeding itself.

*Q: Well I think it also has rice, right?*

NORRIS: Lots of rice.

*Q: I think they are exporting. Maybe they always did, but they certainly are now.*

NORRIS: So, it was a program that over decades could be seen as really having a significant impact on the breadth of systems in the country and its economic and social development.

*Q: Did the issues that you dealt with, obviously defending the family planning program, other issues. If it didn't have one of the two women who had been running it forever it must have had their husbands or fathers. The system was pretty impenetrable I think.*

NORRIS: Politically it was a difficult place. General Zia was assassinated. I think that happened just before I arrived. And General Ershad was the martial law administrator. They basically tried to do some sensible things in the economic area. The two ladies, the daughter of the founder of the country and the widow of the assassinated general have been there ever since, and have been sort of exchanging roles, persecuting each other. Just politically dreadful. It was the first country that I was ever in where the politicians were focused exclusively on getting elected and making sure that the opposition never got elected. Nothing but an instinct for the jugular as far as politics was concerned.

*Q: No policy issues at all.*

NORRIS: No policy issues other than staying in power or getting in power or keeping the opposition from being in power. So, it was a very messy, unpleasant political situation.

*Q: But it didn't stop you from developing programs for...*

NORRIS: No, I think we had very effective programs in several areas. And there were many capable people in the Bangladesh civil service. A big rural electrification program. I think that had a real impact. We didn't have a significant involvement in the Bangladesh education system, which was truly dreadful. The Pakistan education system was a bit like that, but in Pakistan we had a major program to change things. In Bangladesh, students would bring guns to their exams; it was not healthy to try to stop cheating. So, it was politically difficult. As we were getting ready to leave in '84, we will get to that, but one little thing was interesting. We started seeing large numbers of young women walking on the main drag to work. This simply had not occurred before. When I arrived in '82 there were no women walking on the streets let alone large numbers of them. That was the beginning of the garment industry explosion for all practical purposes.

*Q: The U.S. had no role in encouraging that.*

NORRIS: The U.S. government, the USAID program had no involvement at all.

*Q: These factories were sort of sprouting up.*

NORRIS: Right and that had an enormous impact socially to say nothing of economically.

*Q: You were aware that it was happening but barely.*

NORRIS: Just barely aware of it as we were getting ready to step on the plane. But it was the first time I was a mission director. I learned how to be a mission director there. The agency didn't provide any training to people when they went off to be a mission director. At least they didn't provide me with any training.

*Q: Right. Just go do it.*

NORRIS: Just do it and figure it out as you did it.

*Q: Any surprises?*

NORRIS: Not so much surprises. Learned a lot. Learned that if you had an idea that you thought was a bright idea, that the mission should really be interested in, you really had to find somebody in the mission who also thought it was a bright idea. Because you had to have someone sort of bring it along. If nobody else was interested in it and you kept trying to do something, well, it just wasn't going to work terribly well.

*Q: There were too many ways of being sabotaged.*

NORRIS: It isn't even a case of sabotage. If nobody is interested, they are not going to engage actively to provide support. It is not going to happen or you are going to have to spend an enormous amount of energy to get something to happen.

*Q: Was that wisdom learned the hard way? Were you trying to, was there something you thought the mission should be doing?*

NORRIS: No, it was just that I realized that was what you had to have. I don't recall any particular debacle that occurred because there wasn't a champion. Certainly there were some ideas I had that I thought were quite bright, but no one else did. Those got dropped. There were certainly several instances where somebody would be interested in an idea and they would bring it along nicely. I suppose the other two things I learned were that a lot of what the mission director does is make decisions and sometimes it is more important that the decisions be made efficiently than what the decision is. I didn't have too many cases like that, but there were certainly times when it was six of one and half a dozen of the other. There are arguments here and there are arguments on the other side, but you ultimately have to decide. But in a situation like that I felt that you had to spread the winners and the losers around a bit. Not only did you have to pay attention to how you were deciding the issue and who, so to speak, was going to come out ahead and who was going to come out behind, but you had to make sure you always didn't have the same person winning and the same person losing. I think that was useful. The other thing I realized was that if there was a disagreement between two offices, it was very desirable to get the people involved together and work our way through the issue as quickly as possible.

*Q: I think that is a really useful insight. And if you have a strong team it is easier than if you have some weak links that might tend to be the short end of the stick.*

NORRIS: We had mentioned that in the last discussion. I think that is absolutely the case. If you don't have strong people in the mission you have a real problem. To a certain extent you can bolster them or you can arrange things so that people can play to their strengths or try to cover for weaknesses. Every mission I have been in has had a lot of strong people. That just made life so much more productive and effective.

Bangladesh was interesting also because the image was people did not want to go there. Because of that it was a two-year post. There was some difficulty in recruiting people.

*Q: Partly it was the school system, partly it was considered backwards.*

NORRIS: I don't think it was so much the school system as just the general sense it was a backwater. The perception was there was nothing to do, nothing of interest. So, it was a two-year post. Then I got there and everybody seemed to be very happy. They almost invariably would re-up for a second two-year tour. So, I said, well, we ought to get rid of the two-year tour and just have a regular four-year assignment. That would make life a lot more manageable. Terrible idea.

*Q: Was there a differential?*

NORRIS: There was a differential. But the reason the idea was terrible was you could get people to come when they thought it was only two years. They would think I can put up with two years of anything. But when we made it four years, people would say: Oh no, we are not going to Bangladesh for four years. Leave it at two years, then they would come and be happy and then they would stay.

*Q: Interesting.*

NORRIS: That was sort of funny.

*Q: That is how you partly made sure you had a strong team.*

NORRIS: Yeah, I guess. And also, as I said the school only went up to the eighth grade, but slowly increased so, initially, there were a lot of kids that came back from boarding school on vacation and during summer time and they just loved Bangladesh. It was the funniest thing. You would think, God almighty, I mean teenagers? You would think this would be something like the end of the world for them, but it was everyone's favorite place in a sense. There was a nice little American club. The teenagers, who were of course all sort of transient, quickly established friendships. They had lots of parties. They had a great time. Went everywhere in the city by rickshaw. The mission and the embassy managed things to create jobs, part time jobs, for many of the older kids who came back, so that was appreciated. Everybody really liked Bangladesh. There was really a very nice sense of community for everybody – definitely for the kids!

*Q: So, it was like a well-kept secret.*

NORRIS: I guess it was a well-kept secret, but truly everybody was really quite happy there. When we first arrived, we were having dinner with the embassy doctor and his wife. They had three children that were exactly the same ages as our children. So, they had two children in boarding school and they came back. We were asking how do your children like it? We had just arrived in Bangladesh and Dhaka in particular did not create the most positive impression initially.

*Q: On the drive to the airport.*

NORRIS: It was Bangladesh; it was Dhaka. It was all right for us but we didn't see it as a garden spot. So, we asked the doctor how their children like it? He said well, after we had been here for one year it was time to go on R&R. We asked the children where would they like to go? Would you like to go to London or Paris or Rome - what have you? Basically, they said well all of those things would be fine, but we really want to get back to Dhaka as fast as we can. At the time, I thought Dear God, what kind of kids do they have? But ours were the same way. Just loved coming to Dhaka.

*Q: They might be missing something.*

NORRIS: So, everybody liked Dhaka. It was fun.

*Q: Well Anne Aarnes tells a story of when Michael got to college and as an icebreaker they go around the room where are you from and he said Bangladesh.*

NORRIS: Our children, when they were on home leave and were visiting relatives and cousins and what have you, they asked us one time where do we say we are from. They just didn't have a sense of what to say. Anyway, we had just come back from home leave after two years in Bangladesh looking forward to another two years and I got a phone call from Frank Kimball saying they wanted me to come back to Washington to be the counselor, because Frank Kimball who had been the counselor was going off to Cairo to be mission director. I did not want to do that. I was quite happy in Bangladesh. It was an interesting program.

*Q: And you had been program focused your entire career at that point.*

NORRIS: Right and I liked working with the government and good senior level civil service. Young people coming into the Bangladesh civil service were also really quite a pleasure to work with. But it turned out it was an offer I could not refuse. So, we came back to Washington.

*Q: Did you know Frank before?*

NORRIS: He had been mission director in Bangladesh when I was the office director. So, I would go out and visit the place. I had some interaction with him. Always liked Frank. He was a force to be reckoned with, but I got along with him. So back I came.

*Q: That would have been what?*

#### **AID/Washington, Counselor: 1984 - 1985**

NORRIS: That was December of '84. So, Bangladesh '82 to '84 basically. There 2 ½ years only. As I said, Frank had been the first counselor and initially McPherson was still very much learning about AID. How things functioned and he relied upon Frank a great deal as he was learning things. By the time I got back he had his education so he didn't need a counselor in that kind of a role. Frankly I never knew quite what to make of the job. It was certainly a different perspective seeing the Agency from the administrator's office. There were things that were somewhat interesting, but overall, I did not find the job interesting. Other people who have been counselor said you make the job whatever you can. But I couldn't figure out what to do with it.

*Q: Right, and did Peter have his own ideas about how he wanted to use you or were there things he did not want to deal with that the counselor would take?*

NORRIS: There would be some things like that. I got used in some various sorts of odd jobs. We would get involved in various issues and work away at them, but I always felt rather disengaged. I guess it is a matter of personality. What it is you want to do and how you go about doing it. Anyway, I don't think I was a very good fit for that job.

*Q: Do you remember any issues that doubled up? There were certainly a lot of things going on, but you are right, Peter would reach down into the organization to get the people he wanted.*

NORRIS: Sure. I enjoyed working with Peter. Both before and after that, and during as far as that goes. But one of the things that we were working on was a reorganization of AID. One of AID's endless re-organizations. What came out of that was the creation of the Asia Near East bureau. So, they offered me the job of DAA for Asia in the new ANE.

### **AID/W, Asia Near East Bureau, Deputy Assistant Administrator**

*Q: So, Julia was the AA?*

NORRIS: Charlie Greenleaf was still the AA, Julia came in a bit later. That was fine. That I was pleased to do. So, I was Counselor from December of '84 to summer of '85, six months and then very happily went off to be DAA for Asia in the ANE Bureau. That I liked. I did that '85 to '88. That was the time when Marcos was being deposed in the Philippines. That was the time when the Afghan program was being developed. Which at the time I had involvement in. That was part of the Asia Bureau. It seems strange.

*Q: Did you meet Charlie Wilson?*

NORRIS: I met Charlie Wilson. I met Gordon Humphrey and of course I worked with Larry Crandall. Larry was easy to work with and Larry was exactly the right kind of person to be involved in what was quite an unusual program for AID at that time. But Charlie Wilson was something else again and Gordon Humphrey was even more unhinged. That is the right word I must say. They were people who were zealots. They knew what they wanted and any disagreement was tantamount to treason and to be dealt with accordingly. But it turned out I ended up being a neighbor of Charlie Wilson after I retired. I don't know if you remember. But you and Mike came over to dinner with Anne and David when we lived in a condo.

*Q: I remember coming over to your house.*

NORRIS: Well that is the condo building where Charlie Wilson lived. So, I would chat with Charlie Wilson and we would go to condo board meetings.

*Q: Oh my gosh, he probably didn't mellow that much.*

NORRIS: He did mellow some. I guess he had nothing to be a zealot about anymore. I guess he was philosophical.

*Q: Still proud of what he did?*

NORRIS: Proud of what he did and not happy about how it was coming along, because after the Russians left Afghanistan the USG tried a few things and it turned out to be hard so the USG quit, which was not helpful.

*Q: To your earlier part about how you have to take a long perspective.*

NORRIS: You take a long-term perspective and you have to be prepared for a long term slog.

The Philippine program with Marcos was interesting. I can't say we were heavily involved in getting rid of Marcos but we did have some involvement.

*Q: We USAID or we the U.S.*

NORRIS: We USAID. John Blackton was the deputy USAID director in the Philippines at that time. John has an interesting background. He was being used by the Ambassador almost as his point man in dealing with the removal of Markos. So, it was very interesting reading the cables he wrote. Then we had a Thai cross border program.

*Q: With Burma?*

NORRIS: With Cambodia. Where we were not supposed to be involved, but where we were quietly providing all kinds of non-lethal assistance across the border to refugees, relying on the Thai military. David Merrill was the office director for that and David was very effective at dealing with awkward programs. And as it turned out we found out there was a considerable amount of diversion going on with things we were providing. It also became clear that if that were exposed several lives would be in jeopardy. And the program really was important to continue. So what to do? It was a situation where you are supposed to call the IG right away because you have diversions going on. But what was ultimately done was we told the IG; we told the congressional committees involved and we persuaded all of them that, while we obviously needed to address the diversion and do what we could to stop it, it would be counterproductive to investigate and directly address the problem.

*Q: And they agreed?*

NORRIS: They agreed.

*Q: Were you able to address the diversion?*

NORRIS: Yeah. To the extent we could figure out what was going on we thought we had done it.

And what else was of interest? There was a terrible problem. A Senator from the northwest had a constituent who grew trees, poplars. And he was in a bit of a commercial bind. He got the idea that if he could sell tens of thousands of poplar saplings to Nepal that would solve his problems.

*Q: I remember this.*

NORRIS: He had been a good supporter of the Senator. So the Senator unleashed a junior staff member on us. I don't know how long it went on but it was just the most awful, intractable, terrible situation. We brought in experts; we did everything.

*Q: That these trees will not last.*

NORRIS: You don't abruptly establish plantations of one tree in a new climatic zone and expect anything but a catastrophe. So we managed to resist it and it finally went away, but that was horrendous. When I retired about 15 years later, Roger Simmons, the deputy director in Moscow, contacted all of the people who had been involved and put together a scrapbook on the Nepal trees. That was an awful experience. One of the few I have had where relevant, detailed information and logic just had no impact on proponents of a program.

*Q: Yeah, I think I visited Nepal when Kelly was mission director and he pointed to where the trees were supposed to have gone.*

NORRIS: The congressional interest was not susceptible to reason. It was extraordinarily difficult, but we maintained our position. It would have had the potential of a significant negative impact on Nepal. Totally aside from making us look like idiots. I think because we were steadily consistent and insistent on maintaining that it was a terrible thing to do we finally won. Then when we get to Russia I will talk about another congressional thing where, while it wasn't going to do any damage, it was just a waste of money. That one we were not able to resist, but we will get into that. What else?

*Q: The Nepal trees. I do remember that one. I am trying to think of some of the other Asia issues of the late 80's. I think you are being modest. I suspect you had a lot of other stuff on your plate.*

NORRIS: Well I spent my days doing something. I have forgotten most of what it was. One other thing to mention was Bill Fuller was the mission director in Indonesia at the beginning of that period of time. He subsequently came back and became deputy AA for ANE. He just really rejuvenated the Indonesia program in ways that were very impressive. It was a very interesting program while I was there, quite substantial and making a lot of contributions. But then the budget went down. The content became sort of uninteresting and it just sort of was perking along not doing anything terribly exciting. Bill came in and he just really turned it into something of a hotbed of leadership on development issues in Indonesia.

*Q: Lots of participant training, lots of research exchanges.*

NORRIS: Lots of policy issues. Lots of world class advisors coming in and it was really appreciated by the Indonesians.

*Q: I think there are countries at a certain point where that is much more beneficial than another ag project, actually having the policy and the research engagement.*

NORRIS: I agree. As long as you have people who know how to make use of the talent that gets brought in it can have an enormous impact. And it has been my experience in all of the countries I have been in that the really most effective and successful counterparts are the ones that realize that what is of most value that USAID brings is not the money, but the transformative technical knowledge. So anyway, I was ANE DAA for Asia until '88 and then Rocky Staples, who was the mission director in Pakistan, had to retire because he reached 65. So, I was asked to go out there. So I went out to Pakistan.

*Q: At that point you are down to one child at home, right?*

#### **USAID/Pakistan, Mission Director:1988 - 1992**

NORRIS: At that time, we are down to no children at home. Our son Jim went off to college in the summer of '88. So it was just Cathy and me. Again a very substantial program and very strong people in the mission. A good government to work with. What more could you ask for. I arrived in the summer of '88 and Ambassador Arnie Raphael was in that plane crash in August of '88. He was the ambassador when I arrived and he was killed in that plane crash.

*Q: Had you known him?*

NORRIS: I had never known him before. He had been senior DAS for the Asia Bureau in State when I was DAA, but I never had any occasion to deal with him directly. We had a very strong Pakistan desk officer, David Mutchler. He was very effective and dealt with him frequently. So I was aware of Arnie and how he was a very impressive fellow. I liked him and his wife, Nancy Ealey, for the few months between my arrival and the crash. Then Bob Oakley came as Ambassador and Beth Jones was the DCM. She had arrived just before the plane crash.

*Q: So Arnie had known her before.*

NORRIS: Arnie had known her before and had recruited her. She was a great pleasure to work with. Absolutely one of my favorite people. Robert Oakley could be a little cantankerous, but I enjoyed working with him. It was a good relationship. The embassy, Beth, Bob Oakley and the economic counselor, Larry Benedict, were interested in the AID program, but not operationally intrusive and easy to work with.

*Q: But didn't feel they had to run it.*

NORRIS: They didn't feel they had to be involved in operations. They liked to be kept informed. They did not like to be surprised. But it was a very comfortable relationship. Washington wasn't intrusive. We didn't have micromanagement. It was just a pleasure. It was a big program I think at peak it was \$350 million.

*Q: Because of the security or our interest in the military.*

NORRIS: No. The military had its Pakistan program. Afghanistan had its program, and Pakistan had a very wide-ranging program. We had 42 direct hires. We had 100 institutional contractors. We had 400 Pakistani employees. It was a big mission and it was a lot of fun.

*Q: Was it the biggest mission you ever had?*

NORRIS: Yes, in terms of overall size and geographic involvement. Russia was bigger financially one year. With the passage of time and considering inflation, although I wasn't mission director, Indonesia may have been bigger financially while I was there. Anyway, it was a great mission. As you know we had Anne Arnes and David Sprague.

*Q: You recruited them.*

NORRIS: Well they kind of recruited themselves. Bob Halligan who was head of development planning in the Asia bureau when I had been in Washington the first time had moved on to become head of Human Resources for the Agency. When I was the DAA for Asia in ANE, he recommended them to me. So, they came by for an interview. They were obviously capable and qualified so; sure that was a great idea. So, they came. So, health and family planning had a strong office director. Education and training had a strong office director. Pat Peterson was head of agriculture. He was very capable. Al Newman and Gene George were in charge of engineering. Jim Beaver was there in the energy office. John Martin and Brent Schaeffer were in the Executive office. Fred Will and then Marcie Buchan were head of contracting and procurement and we had an excellent controller. It was a good mission.

*Q: So, things in terms of programming didn't change after Arnie's death.*

NORRIS: No, not at all due to that. There were some changes over time. There were some things that Rocky had initiated, one of which was going to be a tunnel through a mountain reaching a remote area in the Northwest Frontier province. I had reservations about that so I asked that they do an economic analysis. I knew how that was going to turn out. So that didn't go forward. But he also established an interesting endowment. God knows how he managed to do it. There is nothing harder for AID to do than to establish an endowment. But he did it by establishing a Pakistani NGO that was going to be somewhat patterned on the Aga Khan foundation activities, which was really the gold standard for rural development in Pakistan. The NGO was established and had a good board. It had a staff, some of whom had been with the Aga Khan Foundation - very

talented, a good beginning. It was going along very nicely. It was going strong when I left, but a few years later Benazir Bhutto heavily politicized it and it just sort of sank into the sand.

*Q: So, it just disappeared?*

NORRIS: Well I wasn't there then so I don't know exactly, but all of the funding allocations became very political. So, whether the money stayed or didn't stay, it wasn't really accomplishing anything so that was a great disappointment because it had potential and indeed it had shown that it could be very effective.

*Q: So it was a grant giving foundation.*

NORRIS: It was a grant giving foundation.

*Q: With at least in the beginning an independent board.*

NORRIS: Yeah, Benazir Bhutto's mother was on the board, but she was not at that time difficult to deal with. Later she did become difficult to deal with. I think Benazir got some other people on the board. The good people on the board gave up in disgust. The staff left.

*Q: Yeah, I guess that is always one of the risks you run. AID periodically has been fascinated with foundations as a way of bridging a change in program or departure.*

NORRIS: Yes, and in theory it has that potential, but it does require that it be treated by the government in the way in which you would have hoped it would be. If the government decides to do something different you no longer have any control over it.

*Q: And the sanctity of contract law is...*

NORRIS: A little softer.

*Q: A little soft.*

NORRIS: Clearly to have as much involvement as possible by local actors is always a good thing, but it has to be within the context of it making sense and being reliable and productive. If you push that too far, as I think has happened in several instances recently, where the enthusiasm for local ownership has run ahead of the reality of the capability of local ownership, you get into real trouble. But that wasn't the case for that NGO when I was there. Not because I was there, but because at the time it had good people and a supportive government. It was working just fine.

*Q: So, when you were there the cross-border Afghan program was within the mission?*

NORRIS: No, the AID Rep office for Afghan Affairs was totally separate. The only involvement the USAID/Pakistan mission had was we provided their logistics and admin support. Which turned out to be really amusing, because you know the standard AID view when it has admin support from the embassy? We always get the short end of the stick. That we are paying more than we should for what we are getting. Endless issues. Well we managed to recreate that with the Afghan program and the Pakistan AID mission. They just thought that we were unfair. That we weren't adequately supporting them. It just drove me crazy. There was one issue that finally drove me up the wall, so I asked John Martin, the executive officer, to look into it. I said, "OK, there is this issue with regard to air conditioners. We are being accused of giving them the dregs and keeping the best for ourselves." I said, "I want an inventory of every air conditioner in every house and I want to see how old they are." Of course, it showed we were all dealing with the same thing." But it was funny. I mean we had a good relationship with the Afghan program, but every now and then there would be this flicker of you are not treating us equally. So that was funny. But the only other involvement that we had was when there was going to be a two or three-week gap between the departure of the current Afghan Aid rep and the arrival of the new. So, I watched the Afghan program for two or three weeks. That was my involvement.

*Q: Well I know that David Sprague for instance thinks that the education program was one of the best things he ever did in AID. He had your support. He had the resources. At the time there was willingness to see this great expansion of education for girls. I suspect there are other programs like that which you are not remembering or not saying but it wouldn't have happened without your support.*

NORRIS: Well it wouldn't have happened without the resources and a strong office director. One of the great AID tragedies is when we had to terminate the total Pakistan program because of the Pressler anti-nuclear amendment. We had to terminate things like the rural education program. The conservative religious Madrassas just stepped into the vacuum. You can certainly not argue that had we not terminate it, Pakistan would clearly have turned out totally different than it did. But it certainly was a significant negative factor. A real mistake. The Pressler amendment was a blunt instrument dealing with something that was very delicate. It had no beneficial impact on the US achieving any of its important objectives and it was ultimately destructive.

*Q: So, there had been two or three successive years where the White House had certified that it was OK. Did you have warning that this time was going to be different?*

NORRIS: Well I never got involved in that. That was tightly held by the embassy and by Washington. It is interesting to read Bob Oakley's oral history and to read John Gunther Dean's oral history. He was the ambassador in India at the time. Quite different perspectives. It is also interesting to get Beth Jones to talk a little bit about that period of time. And in reading all of those things as though I was reading the newspapers, the sense that I had was that we had red lines that we didn't want Pakistan's nuclear activities to cross. I think the red lines may have blurred a little bit every now and then, if we found that expedient. I think while we were still relying on Pakistan during the Afghan War to

expel the Russians we may have taken a slightly different view of the red lines than after the Russians left. But I absolutely don't know the details. In any event it was destructive of U.S. interests to have terminated the program in Pakistan. And it was destructive to our national interests when we terminated the program in Afghanistan when we found out it was going to be hard. Anyway the program in Pakistan...

*Q: But it was not that someone in AID thought it was a good idea to close it. This was entirely congressional directed.*

NORRIS: It was entirely congressional directed, and acquiesced in by senior levels in the U.S. government, White House, what have you. Very unfortunate. Managing the planning for that termination is how I spent my last year in Pakistan.

*Q: Trying to find new owners for some of the programs.*

NORRIS: Sometimes. But it was interesting. We did seek to find other donors to pick up some of our initiatives - the World Bank and our education programs, for example. But for the bulk of the program the focus was on how to have as much impact as possible with the funds remaining to us. Internal to the AID mission we went through an exercise where we were allowed to keep our overall pipeline. No new obligations were possible, but we could keep the pipeline and we could reallocate the pipeline. So, the exercise was: How do we manage a fixed amount of resources to as productively as possible accomplish what we can and terminate gracefully? And as you can imagine the discussions in the AID mission were fraught, but everybody went at it professionally and with good humor. I remember only a few times with Pat Peterson I had to say, "Come on Pat. You can't be the only division that doesn't suffer any pain."

*Q: Did you have any hope at the time that the decision would be reversed in the fall of next year?*

NORRIS: No.

*Q: So, you had not even a glimmer of hope that it could restart.*

NORRIS: I have no recollection of anything like that. The Pakistani employees were each given a date specific as to when their jobs would come to an end. They referred to that as their PACD, which normally means project assistance completion date. But anyway, it wasn't exactly a pleasant process, but it was a professional process that we went through. Everybody working together to find out how to make the best of this really unfortunate, counterproductive development.

*Q: And your dealings with the Pakistan government, your counterparts?*

NORRIS: They were far more understanding than I felt they should have been.

*Q: They understood the politics.*

NORRIS: They understood the politics and that this was the last thing that we wanted to have happen. They understood that we were seriously trying to figure out how to manage this to be as productive as we could in the time remaining to us and the funding remaining. We just couldn't have asked for a more gracious, understanding group of people to work with. It was across the board - just remarkable. We were supporting electric power private investments. Narcotics elimination. We were building a university in Peshawar. God knows what has happened to that. We had the education and health/family planning programs. We had a huge amount of training programs.

*Q: Were people allowed to finish their training and then come back?*

NORRIS: I am pretty sure. We were sending people from all over the country, but I remember Balochistan in particular. Many of the Balochi that we sent had never been outside of Baluchistan and they often didn't have the greatest educational background, but some of them did quite well. Most went back and got four-year degrees. Very impressive. Some of the young Baluchi men, particularly in the US South, would wear crosses because they said it was a lot easier to meet girls that way.

*Q: Young men will be young men.*

NORRIS: We eventually realized, we probably should have known it to begin with, but we had to scramble a bit to put together a pre-departure education effort with the participants to explain American mores and to make clear that a certain type of behavior by a woman in the States does not mean the same as that behavior would mean in Balochistan.

*Q: We have never been very good at quantifying the impact of our training programs.*

NORRIS: Right. It was a great program that came to an unfortunate conclusion.

*Q: Remind me the date the Pressler Amendment took effect on the program, was that 1991?*

NORRIS: It may have been '91. I was in Pakistan '88 to '92. Yeah, it probably would have been about '91. I don't remember for certain, but that would have been about the right timing, because I did spend about a year with the mission doing the phase out planning. Which, by the way, the Agency took as a model for how to plan for a program closeout. The program continued after I left. John Blackton came out as mission director and it did eventually come to an end. I recently saw on Facebook that the former Pakistani USAID employees have established an alumni association. They get together and have lunch and they do things together.

*Q: That is great.*

NORRIS: And I have seen several of them saying that the years they spent in the Pakistan USAID mission was the highlight of their lives.

*Q: Oh my gosh, and did some of them come back after the mission re-opened.*

NORRIS: I don't know. There were certainly some Pakistanis who came to the States and indeed with regard to several countries I worked in the local employees often had an extremely positive sense of their experience working in USAID. Quite touching and impressive actually.

*Q: Where they learned or got to use their English. They certainly were probably much better paid than any other position right, and they got the experience.*

NORRIS: Mainly they were given a lot of responsibility. Sometimes it was an interesting contrast between the embassy and the AID mission because in the AID missions they were professionals with significant responsibility. One of the things that always impressed me about AID - whether you are talking about FSNs or American employees - was that we had so much work to be done that if you found somebody who could do work you just gave them as much work as you possibly could. So, they got real responsibility. We had Pakistani employees in Islamabad who would go to other AID missions as consultants. Some in human resources some in procurement. Just very professional. God knows in rural development we had some real superstars among the Pakistani employees. Anyway, it was a great program.

*Q: A great program and a sad end.*

NORRIS: As it was coming to an end I was slated to go to the Philippines. I think Malcolm Butler was the mission director at that time and I was going to replace him, But then I got a call asking me if I would go to Russia from Pakistan.

#### **USAID/Russia, Mission Director: 1992 - 1996**

*Q: This one was not like any of the other ones you would have done except maybe counselor. That would have been before Brian was in place and remember we had a number of caretaker administrators.*

NORRIS: I am not sure. Carol Adelman and Scott Spangler were involved early on.

*Q: OK, so it was before the transition.*

NORRIS: Yes, it was before the transition. For the life of me I can't remember who called. Anyway, whoever it was I said yes.

*Q: Not Holy Cow! So this was '91?*

NORRIS: No, early '92.

*Q: Six months after the fall of the Soviet Union.*

NORRIS: That is right. And so that was a great opportunity, a real interesting development.

*Q: Did you have some training before you went out?*

NORRIS: We came back on home leave. We were scheduled to come back on home leave anyhow. We were here during the summer. I think Cathy and I had a month of Russian. I could read subway signs and get around in a taxi. AID had a few people who had some Russian. Not many, goodness knows. And it would have been a real advantage to have had a director who had Russian, a big advantage. I think it almost would have been better to have brought someone in from the outside, if they could have found some person who was a developmental expert and who had good Russian. It was a program of a peculiar enough nature that it would have been helpful to have had someone with a little political standing also. But that didn't happen. It probably would have been hard to find someone with that ideal combination of background.

*Q: So your instructions were to go out and build a program?*

NORRIS: More or less. Some things had already started. AID Washington had been sending out relatively long term TDYs and sending out people on little teams and the Harvard people had been there under Ford Foundation funding and AID Washington picked that up, so the Harvard program was in place. Washington had gotten a program going on housing reform with the Urban Institute

*Q: Right Ray Strike was out there early.*

NORRIS: Ray Strike was out there early so those things were underway, but there wasn't too much else. I was the first long term person to arrive. I arrived in August and by January we had four Americans.

*Q: Whom you had recruited.*

NORRIS: Some I had recruited, some were in the mill. We had a program of \$125 million. The next year we had a program of \$400 million. And the year after that we had a program of \$1.2 billion.

*Q: We never learn our lesson do we.*

NORRIS: And indeed, Washington was putting together the program and they developed some new instruments that facilitated developing a program where you had to act very rapidly. But the embassy put a freeze on all new U.S. direct hire arrivals shortly after I arrived.

*Q: Yeah, the NSDD 38.*

NORRIS: Yes, and the reason they put a freeze on, well first of all they weren't happy to have an AID mission, a large AID mission.

*Q: A lot of people have talked about just how much they were unhappy and how they tried to sabotage it.*

NORRIS: Yeah. Probably not so much sabotage as a lack of understanding of economic assistance and a suspicion as to what we were really interested in doing. But the reason they put the freeze on was actually a commendable reason. The security people were still prohibiting the hiring of FSNs. Well you simply cannot operate an AID mission without a good group of talented FSNs. So...

*Q: Their concern was they might be spies?*

NORRIS: That was security. Yeah, they were still back in the cold war. What is a spy going to find out in an AID mission really? We always used to joke that if the KGB had really bugged our offices, the people who had to listen to that would probably be doing so as a punishment that was allocated to them by the KGB. In any event that was security's position. No FSNs and no fraternization. No Americans going out with Russians.

*Q: Was that an issue you had to take on and try and walk back.*

NORRIS: I wanted both FSNs and U.S. direct hires. We needed them right away. So, I was not happy, but on the other hand I knew that we had to have FSNs. And the freeze on American direct hires was the way we could break security's prohibition on Russian hires. And we put up with it. It only went on for a couple of months and then we started to get direct hires. Another problem was that virtually nobody in the U.S. embassy in Moscow had ever had anything to do with an AID program. I don't know what stories they had heard from their colleagues, but I think they thought that the only thing we were interested in was a long term, permanent, large establishment where AID would be there forever. Saw our sole approach as to do things slowly. Get a lot of AID people and have them have jobs. The worst was when we had a \$160 million construction contract to supervise and one of the embassy officers argued we should use Peace Corps volunteers for that rather than professional engineers.

We eventually had an adequately sized and very talented Russian staff and a good number of locally hired US personal service contractors. But I always believed that our US direct hire AID staff was much smaller than was required. I really felt like we were always just skittering over thin ice in terms of management and oversight. Everybody was trying to make sure the right things happened then, but we should have had twice as many US direct hires.

It was also a great struggle to get adequate office space. We initially had one and then a second floor in a temporary Russian building that was on the embassy compound. The

embassy GSO was using the building for furniture storage. And they didn't see any need to relocate furniture storage so that AID could have adequate office space. Initially, the challenge was to have at least a chair for every staff member. Then we worked our way up to a desk for each one. And after quite a while we got to the point where everyone also had a telephone. We spent a lot of time the first few months looking for other office space in the Moscow area. We were offered Stalin's dacha compound by a Russian official, but decided the optics of having the AID assistance program in Stalin's dacha might cause talk. Eventually we did get all the floors in the compound building and a new building for several of the agencies was finally built on the compound and we moved into that.

*Q: You talked a bit about the relationship with the embassy. You also had the coordinator who couldn't have been helpful. I know you had CODELS coming out your ears because everybody wanted to see it.*

NORRIS: We'll start with the funny stories first. CODELS, we did have a lot of CODELS. Before '94 when there was the Republican landslide, Congress and the CODELS were very supportive, very interested. Congressman Gephardt came with a very large delegation that went very well. They were really pleased with the program. We had a senate CODEL headed by Senator Leahy come one time that I took to Nizhny Novgorod to talk to Boris Nemtsov who was the governor. An extraordinarily impressive fellow, articulate, competent, politically shrewd, and really a fun person to work with. One of the senators asked a question that is often asked when people are trying to find something out. He asked Nemtsov "OK, tell us about the AID program. What is not going the way you would like it to go?" Nemtsov said, "You know, Stalin used to ask that question and it never turned out well for anyone involved."

*Q: Excellent. It was very clever. You just try to keep your face straight.*

NORRIS: So that was fun.

*Q: Now did Bill Bradley come on one of the delegations because I know he had a thing about high school exchanges. Or maybe he didn't come out.*

NORRIS: I don't remember. I remember Gingrich came out on one and he seemed to be just bowled over by the Russian reformers to an extent that I thought was just extraordinarily naive. Some of them were very good, but really...

*Q: Some very glib.*

NORRIS: Some were glib and some were good but not superstars. And, indeed a few were superstars. But anyway, it varied, but there were a lot of CODELS. And the first two years they were very supportive – liked the USAID program and were impressed by the Russian reformers and our budgets increased rapidly – too rapidly, actually. But then there was the republican congressional landslide in 1994. Congressional support and budgets plummeted.

There were three state department coordinators while I was mission director. There was Richard Armitage who was there when I arrived. He didn't know a great deal about development, but strongly believed that it was important that things happen. I had the impression he didn't much care what it was as long as it was...

*Q: Not spaces.*

NORRIS: Right. We got along adequately with him. He did get one idea that was a problem. He wanted to start establishing American Universities in places where there were really pretty adequate Russian universities. There was some justification for specialized foreign entities coming in and establishing schools. Some did that all on their own. The mission thought, I certainly thought, that establishing an American university in Vladivostok was not a good use of funding. So, we asked David Sprague to come up from Pakistan to look at it.

*Q: I have heard him talk about it. His trip on an Aeroflot across...*

NORRIS: Forever.

*Q: 12-time zones.*

NORRIS: It was just extraordinarily difficult to get the coordinator to allow us to technically review the idea. He just wanted to do it as soon as possible without really examining the proposal. But finally he agreed to let David come out and he looked at it and wrote a report saying it didn't make much sense. But Armitage on the whole...

*Q: He had been in the Philippines, hadn't he?*

NORRIS: I believe so.

*Q: So, he must have known AID existed. So...*

NORRIS: He was OK on the whole. Then Tom Simons was next. He had been the ambassador in Poland when the Soviet Union came apart. He had familiarity with an AID program starting up and was a very competent Foreign Service professional. So, on the whole he was reasonable to deal with on most operational issues. But, strategically we had a major issue with him. In 1994 he argued that Russia was a developed country and would soon come to resent AID's involvement in reform. For that reason he proposed that AID should shift away from supporting reform and systemic change and focus on supporting US trade and investment in Russia. I thought that was extraordinarily premature. Certainly it was an ultimate objective, but Russia had few of the legal structures and institutions necessary for normal trade and investment relations. It was, in fact, an extraordinarily risky place to do business. And beyond that, rather than being sensitive, the leading reformers wanted more US support for the systemic changes they were trying to put in place.

He also proposed that funding for the AID program end in FY1998. Arguing that if we hadn't helped Russia transition to a market economy and a functioning democracy by then we should withdraw. Which I thought either displayed a complete lack of understanding of the magnitude of the transition that Russia was going through or was a pretty cynical effort to buy time with congress. In any event, while the program didn't end until 2012, the coordinator's position, congressional attitudes and rapidly declining budgets made it very difficult from then on to respond with substantial support to Russian reformers initiatives.

But then Morningstar came and that pretty much coincided with the '94 Congressional election. The sense that I had, which may or may not be well founded, but the sense that I had was the White House and the State Department felt that they had some really big fish to fry with Russia and they were concerned with regard to Congressional opposition or attacks so they did not want anything in the AID program to upset Congress. They wanted it to be quiet. To the extent that we could do things that would make Congress happy, that was a good thing. So, it became quite a different situation.

*Q: Right so forget about the development agenda.*

NORRIS: Well that was a problem from the very beginning. At the beginning we were actually forbidden by the State Department to do any strategic planning. We were not to prepare any strategy for our program.

*Q: On the idea that you are going to be gone next year, so why bother?*

NORRIS: Well on the basis of two things. One, there was the idea Russia would be a quick in and out program. So you didn't need strategy. And, second, if AID did prepare a strategy it was just a hidden vehicle for a long-term presence. So that was not helpful. But, obviously, it was essential that we had to be thinking about what it made sense to do.

*Q: While pretending not to. Exactly.*

NORRIS: And, fortunately, that didn't last for too long, but it lasted long enough to be very awkward. But, during the first two years I was there, on the whole there was broad enough support for the program in congress and the administration and the budgets were sufficient for us to be able to respond quite robustly to reform opportunities that developed. So we could not only provide advisory support but also fund pilot programs that laid the basis for the Russians to roll out significant programs leading to systemic change.

We also had the Gore-Chernomyrdin Commission established. And that was interesting and I think it strongly appealed to the embassy and the State Department because it provided a venue for senior people to address contentious issues that they were really seized with. Whether it was arms control, weapons destruction, arms sales, etc. There were some very significant issues for which they found it to be a valuable mechanism. But they also thought they ought to bring in all the U.S. government agencies that were

potentially interested in working in Russia and to me that became a problem. Maybe if there had been a mission director who was a little bit more adept at inter-agency knife fighting it would have been better.

*Q: I think everybody felt the same way you did. It opened up a circus really.*

NORRIS: You know, AID looks at a development situation and we ask ourselves what is important in terms of transforming this economy and society. Who can we work with who is interested in making changes? Where are our targets of opportunity? And then, is there a U.S. government agency that could be brought to bear on this in a way that would be helpful and better than contracting with a private firm? When a U.S. government agency itself became part of the Gore-Chernomyrdin commission and was looking at development issues, my suspicion is the thought process was what programs do we have as a department that would be interesting to expand into this country with AID money.

*Q: You were the cash cow.*

NORRIS: And in theory it could be possible that they could overlap. You know they could have a program that could be just exactly what we would like to have and what would be valuable to the country. But a lot of the times that is not the case and they can do things that are not harmful, but they are not really getting at what are important systemic issues or systemic changes. I mean if you bring money to the table you can always find somebody to work with. The question is: are you working at something that could really be transformative. So that was a problem and I guess I saw it as damage control more than an opportunity.

*Q: Stop the most stupid ideas.*

NORRIS: Yeah, I am not prepared to argue that was clearly the right thing to do. I mean it may well have been that a more proactive person who spent a lot of time figuring out how to program and manage other agencies could have done a better job, but for better or worse it was something that I saw as a problem.

*Q: So, with the Gore-Chernomyrdin commission it really introduced these other government agencies to the process.*

NORRIS: Well it was that and it was also a bit of...

*Q: Did the legislation have directives for other agencies?*

NORRIS: I don't remember that the legislation did, but it was certainly an area that the coordinator found interesting. Because if you are going to coordinate multi agencies you look to what you can fund in other agencies to do in the former Soviet Union. I think there were oftentimes backers for other programs who also thought it would be sort of fun to have a program in Russia. So, it was something to contend with.

It is interesting to see the different perspectives people have who are perched in different places. I think that there were people in the embassy who thought we should be making more use of U.S. specialists and experts on Russia. Unfortunately, on the whole, where there were U.S. experts and specialists, their expertise was on the Soviet Union. To the extent that any of them had a perspective on the economy, we actually tried to find them and bring them out. There was one fellow whose name I have been unable to remember who had been very effective at finding the shortcomings in the Soviet economy. Where things were weak; where things were coming apart. We had him come out several times to look at things. But basically, you had people who...

*Q: You had Murray Fishback.*

NORRIS: That is the name! We had him come out several times. Also Mancur Olson came several times. He was an economist who was a specialist in economic transitions and was welcomed by the Russians. The others who were the Soviet experts, the Russians didn't want them to come. The Russian reformers said, "What on earth do we want to have a Soviet specialist come out here for."

*Q: We are trying to move beyond that.*

NORRIS: So, I think the embassy felt we were missing a bet by not having some of those people come out and God knows some of those specialists were quite resentful and thought we were foolishly ignoring their valuable expertise.

The trick to proceeding usefully in Russia - and this is the case in any developing country is: What is important to change and to support in this country? Who can we work with in those areas? And where are the targets of opportunity that we can bring our resources to bear on? I think we did pretty well in terms of a number of areas we developed in Russia. Also, you have to realize there is a competitive dynamic within the host government and a struggle for resources. So when a reformer can say I want to do this and the Americans will support me with consultants and substantial initial funding, the reformer is much more likely to be able to proceed.

*Q: The privatization effort, did that start under you?*

NORRIS: No, that was initially put together by Washington and it was a very interesting program. The Harvard group was very involved in that and was very effective. They worked at the privatization of small and medium enterprises. That is a very important distinction to make, because there was also the privatization of the big enterprises. The infamous loans for shares program. That we had nothing to do with. But the small and the medium ones, Washington initiated that program and we built on it and developed it into a much bigger program than it had been. It included substantial PR activities that we did develop with regard to privatization which were very effective. Some of the ads undoubtedly were clunkers, but at the beginning of the privatization program of the small and medium enterprises in Russia, it was politically risky for any politician in Russia to indicate any support for privatization. It was: You are selling off the family jewels; you

are giving up our heritage. By the time we had our programs running for a while it was politically risky not to be in favor of privatization. It became a very popular program.

Privatization was a major transformation in Russia. Like a lot of political things, you may like eating sausage, but you don't want to watch it being made. There were political compromises that had to be made that we didn't support and the Russian reformers didn't support, but the managers of public enterprises were a force to be reckoned with and there had to be compromises and accommodations.

*Q: These are the oligarchs of today?*

NORRIS: No, these were much smaller people. These were managers of small and medium enterprises and they didn't want to lose their positions and their authority. They essentially had to be bought off or, another way of putting it, a carrot had to be provided in addition to everything else. The managers of enterprises were given preferential access to buying shares in their enterprises. Employees could buy shares in the enterprises and they also had to be made to feel better. So, there were things that were done that were seen by the reformers as unpalatable but necessary requirements of doing business - compromises. I remember one time I was asked by quite a well-known, courageous Russian reformer, "How should we be acting? How should we be acting in the Duma?" What do I know? All I said was, "You have to learn how to compromise." It came off the top of my head, but I think it was about right. Anyway, I think it was a compromise. It was a messy program, but it was effective.

*Q: It worked to privatize. I have to ask whether you have read Svetlana Alexievich's book.*

NORRIS: Gracious yes. What a book! It is the most depressing book I have ever read. Extraordinarily informative and revealing. It shows both how truly ghastly the Soviet period was as well as how much nostalgia there still is for it among the older Russians.

*Q: The perspective on this period is sort of uniformly grim.*

*OK, we are resuming the conversation with Jim Norris and it is May 7.*

NORRIS: Well, to talk a little bit more about that period of transition and privatization. Another strand of comments and criticism one got from some of the observers is that the transition must have been managed badly because it was so disruptive and chaotic. But I can't imagine there was any way for that transition to occur that wasn't going to be chaotic and disruptive. The Soviet system essentially was collapsing. It collapsed as the reforms were being put in place and so I think the man on the street blames the chaos on the reforms rather than recognizing that the collapse called for urgent, really very significant measures. If the system had not been collapsing and could have continued while the transition was underway and if there had been massive foreign financing that would have facilitated it then maybe it could have been different.

I remember there was a Wall Street journal article written about this time saying that what we should be doing is the same thing we did under the Marshall Plan, which totally misunderstood the Marshall Plan and totally misunderstood Russia. And totally misunderstood the financial magnitude of what would have been required. Relative to the economies involved, if we had had a comparable financial flow in Russia to that of the Marshall Plan in Western Europe, it would have been a U.S. program of \$30 billion a year – more than 10 times the actual flow from the west while I was there. With that amount of money you can have a macro impact. You can stabilize things in a macro way as we did in Europe after WWII. But absent that kind of financial inflows there was no way for the Soviet system's economy, which was hollow and collapsing, to make a transition without it being just awful to the people involved.

I think it is true that everyone would have been better served if the people who were advising and recommending macro policy changes, which God knows was not the AID mission, had a longer-term presence in Russia. If we had had long term advisors work with the Russians on a day to day basis rather than deputy secretaries of the treasury coming in for a week every six months. That is just not the way you do it. You have got to get intimately involved in what is happening on a day to day basis and help manage it from that perspective. It still would have been chaos. It still would have been a real problem. But it probably would have gone better.

*Q: So the Harvard Group, were they still active while you were there, or did you have to deal with them?*

NORRIS: They were active throughout the time I was there. They were there when I arrived and they were there when I left. They expanded greatly while I was there. They were instrumental in establishing the Russian Securities and Exchange Commission and the stock market. They had access to the highest levels of the government. It is the kind of program that any mission director would wish for. Competent, language fluent, excellent access and acceptability by the Russian leadership. As it turned out they also had an amazingly uninformed, naive or indifferent view of conflict of interest laws and other things. Very unfortunate.

*Q: So they were actually being effective in your opinion.*

NORRIS: They were heavily involved in policies associated with the privatization program. They were providing support for legal reform with a joint effort between the Kremlin's legal advisory office and the Duma. I want to come back to that for a little comment, but they were remarkably effective. They established things that are functioning effectively today. They also were advising on economic policy, but not under our program.

*Q: The Ford Foundation or Russia?*

NORRIS: No, sort of in their off time when one of the professors would come to town. They were advising on things like interest rate policy for government bonds. They were

advising on licensing brokers. One of their girlfriends (later she became a spouse) was treated preferentially to be one of the first ones to get a broker's license. Just things that a high school student should know you can't do.

*Q: Did you raise these issues with them?*

NORRIS: We were completely oblivious.

*Q: Because you weren't paying them, they weren't reporting to you.*

NORRIS: Everybody who was there with Harvard we were paying. They were reporting on the programs we were funding, but these were things that were being done on the side. We didn't know about the girl friend. We didn't know they were investing in government bonds. One interesting thing - do you remember Robin Cleveland, Senator McConnell's staffer?

*Q: Yes.*

NORRIS: Robin Cleveland did not like the Russia program. She did like the Ukraine program. She had a boyfriend who was doing business in the Ukraine as it turned out. Harvard was in the process of getting a major contract in the Ukraine. She did not like this. So she asked the GAO to do what turned out to be the biggest audit I have ever seen of an overseas activity. We had about half a dozen GAO auditors looking at everything Harvard was doing in Russia at great length. They didn't find anything. They quibbled about some of the things that were being done managing the program, but they didn't see any of these things that Harvard was eventually convicted of.

*Q: How did they get caught?*

NORRIS: That was after I left but...

*Q: Some investigative journalist?*

NORRIS: No, someone told the mission; someone told someone in the mission that there were some funny things going on. I can't remember who it was that said it. The mission went straight to the IG and the IG went straight into investigative mode. I wasn't there. I can't help but think how the Thai cross border diversion problem was solved. Clear malfeasance had to be dealt with. However, the Harvard program was an extraordinarily valuable effort in Russia. Clearly the problems had to be dealt with in a way that got rid of the people who had done the wrong things and stop those things from happening, but maintain what was an extraordinarily valuable program.

*Q: And could you have done that?*

NORRIS: I wasn't there so I don't know, but it was worth exploring.

*Q: Without Jonathan Hay could you actually make it still work. I think he was one of the malefactors.*

NORRIS: Yes. Andrei Schleifer and Jonathan Hay. I don't know if it could have been made to work. I don't know whether the IG would have agreed. I don't know whether the Congressional committees would have agreed. So there is a whole series of things and I wasn't there.

*Q: But it was a huge loss.*

NORRIS: It was indeed a huge loss. Harvard of course disbanded HID which was an enormous loss to the developing world. It would have been wonderful if all of that could have been handled so all of that collateral damage didn't happen. There may not have been any alternative, but I wish it had been explored.

On a different subject, there was also a book written about Russia by Janine Waddell who was an American anthropologist. She looked at the AID program and the reformers, I guess, as an anthropologist would look at a tribe in New Guinea or some such thing. She said there was a St. Petersburg tribe and a Moscow tribe and we just worked with that one tribe from St. Petersburg. We didn't branch out to see what else was there. It still makes me mad. First of all, we would and did work with anybody who wanted to reform things. The minister of housing was definitely not from St. Petersburg. He was allied with the most right wing, benighted elements in the Russian government, and we managed to work with him in the housing reform area very effectively. The head of the Kremlin's legal advisory office was not from St. Petersburg. He was from somewhere in the Stans and a very tough fellow. We worked with him on legal reform in association with the Duma. So, I simply do not know how she came up with that idea, but it was a misunderstanding of the whole development assistance process. What you have to do if you want to get anything done, you have to work with the people who want to work with you.

*Q: Was her book effective? Did people read it? Did it create problems for you?*

NORRIS: Minor. Nothing significant. I think some of the people in the embassy were taken with it. It was...

*Q: Well now you have got the St. Petersburg crowd in Spades.*

NORRIS: A very different group from St. Petersburg. But anyway, we worked with the small and medium privatization. I was there when the Russian government was putting together the loans for shared activity which was the vehicle through which a lot of the big oligarchs became richer and new ones got minted. I was in one meeting with Ambassador Pickering and Anatoly Chubais, who was in charge of the privatization program.

The ambassador was expressing concern about how the availability of the loans for shares was being restricted to certain Russian actors. And Chubais said he was under

more pressure on this issue from within the Russian government than anything else he had dealt with. So, this was really something that was being put together when the Russian government was extraordinarily worried and stressed. There was great fear that Yeltsin was not going to win the upcoming election. There was a concern that things needed to be done to enable him to win, basically to finance his campaign, which is what this did.

*Q: Had he not won, I forget, was it a communist that wanted to come back? Did he have a credible opponent?*

NORRIS: He had opponents who were more popular than he was and who were certainly very unappealing from a developmental point of view. His popularity was in the single digits. The loans for shares obviously turned out to be a terrible thing. The loans for shares were a vehicle for basically just stealing the remaining major public enterprises and taking them over by the oligarchs. I certainly wasn't involved and AID wasn't involved in anything associated with that or for that matter analyzing the election prospects.

*Q: But the ambassador had flagged the issue.*

NORRIS: Had flagged the issue. Anyway, Yeltsin was reelected but the rest of it turned out badly.

*Q: Were there other programs that you thought turned out well or at least had some staying power?*

NORRIS: Sure, lots of them had a very positive long term impact. We had a program with Georgia State in fiscal reform. They were very active and it led to the establishment of an independent think tank that is still active and functioning on its own advising both the provincial and the federal government about fiscal issues. Of course, Ray Stryke and the housing program and the institute that he was instrumental in getting established is still very much functioning and advising on urbanization issues throughout Russia. We also did a lot of work on restructuring the Russian electric power sector that was very effective.

*Q: I think Ray Stryke is still on the board. Or maybe he has just gone off the board.*

NORRIS: He went off the board a couple of years ago because he saw that with Putin it was not a good thing for a Russian entity to have a foreigner on the board, let alone an American. He still goes back and consults on occasion. He did a marvelous job. That institute is functioning. We provided valuable support in health. We provided a lot of input in environment. I remember asking our health people in the mission why are the Russians asking us for advice in health policy? Our health policy is a mess. They said, what they see is we have got 50 states each of them has done something different. They have tried different things. Some things have worked; some things haven't. It is a bag of opportunities to see what they might try.

*Q: I can remember early on from Washington being part of a group trying to get State Department interested in doing something in health. Their attitude and this must have been before you went out was no this is going to be in and out, short term. All we need to do is get the economy going so there are jobs and we are done.*

NORRIS: Yeah, it very much was seen as a quick in and out. There was a tendency to look at the situation as being like the recovery in Europe under the Marshall Plan. Totally ignoring the very fundamental fact that in Europe we had been getting recently functioning market economies with knowledgeable societies back on their feet after being physically destroyed. While in Russia there was a collapsing command economy with few if any members of society who knew how to make a market economy work. To say nothing of nearly completely lacking the necessary laws and institutions that are the basis for a market economy. After the '94 election Congress also really wanted to see it as a short-term program.

*Q: And when you signal that to the Russians why would they make long term commitments.*

NORRIS: It was so foolish. But

*Q: So, there were some economic activities that were worthwhile.*

NORRIS: Oh, I think there was a lot of stuff that was worthwhile. In addition to the areas already mentioned, we initiated a very significant program in support of small Russian businesses. We were very fortunate to have an extraordinarily talented, Russian speaking US PSC, Leslie McQuaig, to develop and manage it. And there was a committed Russian counterpart in the right position to work with.

We also, surprisingly enough, played a significant role in the restructuring and modernization of the Russian coal industry.

There was one little activity that a key congressman wanted that we tried to resist, but ultimately failed to do so. Louisiana State University wanted to do a port study for St. Petersburg. As it turned out a comprehensive study of the port had just been done - by the World Bank I think. So we kept arguing that it was duplicative and a waste of money. I went up on the Hill with the AA and argued until I was blue in the face, but it had no impact. We eventually had to fund the study. It didn't do any harm, but it was a clear waste of money.

There were some areas where we tried to get something going, but we couldn't find anyone effective to work with. We were very interested in bankruptcy law and contract law. We couldn't get anybody interested in that. We would have liked to do more in the area of judicial reform, but we were only able to get a modest program underway.

We wanted to help the government come up with a more institutionally strong way of considering legislation. Initially we were just going to work with the Kremlin's legal advisory office. We put an activity together. I think it would have been quite a nice program. Ambassador Pickering insisted that the program could not go forward unless it involved the Duma. I really argued against that, because I was sure there was no way the Duma and the Kremlin Legal Advisor's office were going to come together. But he insisted and he got them to agree and they came together and there was a joint effort. Just fantastic. I opposed it tooth and nail, because I thought it would kill what was a good idea by trying to achieve something that was a better idea, but the better idea was achieved.

*Q: There was a time when people were hopeful about the Duma's role.*

NORRIS: Again, for anybody who is interested in Russia I encourage them to go back and read Wayne Merry's oral history. Wayne Merry was in the political office. He had also been there in an earlier incarnation before my time. They had the political office divided into internal and external issues. I think originally, he was involved in external political issues. He came back and was involved in internal political issues. In any event - a very perceptive assessor of what was going on in Russia. I never really had any dealings with him. In his history he very clearly lays out what he thought was going to happen, which was totally contrary to the U.S. government's view of things at the time - definitely in Washington. Very controversial. He turned out to be right, just like I think John Gunther Dean turned out to be right about many of the things he wrote. Both of them were basically drummed out of the foreign service.

*Q: Right. They don't like what you are saying so...*

NORRIS: They didn't like the message. But we had a very effective program again. Although, financially, we operated largely at the margins, particularly after 1994. But if we had willing partners to work with we were able to accomplish a great deal. But if the climate changes and they do not like what was being done, it is hard to maintain it.

*Q: Your program also had a lot of work with media trying to support independent media. Did you have illusions about that? Did you have some...*

NORRIS: Jeanne Bourgault was head of the democracy office that also worked on media. If you know Jeanne, she is just a wonderful person, very effective. Pleasure to work with. I think a lot of things were established. In the media, a lot of training was provided. I think some of the media is hanging on by its teeth, but most of it has been overwhelmed by the current government. I don't think anything, no matter how well established, would have been able to withstand that.

*Q: Did you do a lot of traveling across Russia during your time there?*

NORRIS: I did some, but pretty much by the middle of the program, things were being so much dictated and second guessed by Washington that it almost wasn't worthwhile seeing what new opportunities there were. Also, when I traveled the embassy was much

more interested in who I personally met with so it was better to have the mission staff travel, which they did.

*Q: You say you had to take minders with you.*

NORRIS: Any time I had to see a senior person in the government I was supposed to take a minder. One time the political counselor came with me to see a senior advisor to Yeltsin who was interested in legal reform. This was an opportunity to see if we could find someone at the right level to be effective in a very sensitive area. But the political counselor kept asking sensitive political questions and that was the end of Yeltsin's advisor being interested in working with the USG in a sensitive area.

I think that is an example of something that anybody in the State Department, or the U.S. government for that matter, should recognize, but rarely does. That is, that the less AID is seen as associated with US short term political objectives and interests, the easier it is for us to be effective in supporting long term US objectives. That worked very well in Bangladesh and very well in Pakistan where, while obviously the host countries knew AID was part of the U.S. government - we were not hiding that - they saw us as really almost exclusively interested in their developmental problems. So, you could establish a professional relationship and you could interact with them as professionals on developmental issues. As a result, AID had a much greater impact than would otherwise be the case. You also could come to an understanding of issues that could be very useful to the State Department as background. But you only get that when you are not seen as a short-term arm of U.S. political objectives. That is a problem.

There must be thousands of State Department oral histories and I have only read a couple of dozen, so it is hardly a statistical sample, but of the 20 or 30 that I have read the ambassadorial and senior embassy officer focus is on how the country is going to vote in the UN, what issues do we have with arms control? What are our immediate concerns regarding nuclear disarmament, weapons destruction, trade issues, etc. Of the ones I read, only two, Wayne Merry and John Gunther Dean, articulated a long term strategic sense regarding where is this country going and what are the issues associated with its going there. Other than that, it is managing the short term. To me that is just so obviously one of the reasons why it is a disaster for AID to be even more intimately under the State Department than it already is. It is already a disaster in terms of operational involvement.

*Q: Right. The counter argument which is not really an argument at all is AID wouldn't have half the appropriation it has if Congress thought this were not part of U.S. foreign policy. So I think that is changing.*

NORRIS: It is certainly true that AID's justification for a long time was that we were perceived to be helping to win the Cold War. In addition, just as ambassadors are interested in what are the immediate foreign policy issues, Congressmen are interested in what they should be doing to get elected in two years or less. Neither of those perspectives relates very much to long term strategic development programs. I do think right now there is more of an appreciation of AID's role. The current administration has

put so much negative pressure on both AID and State that I think it has forced recognition that there are issues here that go beyond the immediate short term.

I mean, one can only hope that in some fashion there will be an understanding that development is something that is important to stability in the long term.

*Q: Right. We have a stake in it.*

NORRIS: And for that reason it is worth supporting. There needs to also be recognition that while we can do things as well or better than anybody else that has a short term impact, that is really not developmental. I mean humanitarian assistance is short term and can be very important. It is obvious that to benefit from development people have to be alive. If they are starving to death there is no use talking about the long term. But the long term does require programs that are focused on systemic change. That takes decades.

*Q: So, it does raise the question of can a bilateral program take that perspective or are we talking about another institution, a private institution maybe. The bank or something.*

NORRIS: Well some banks in some countries managed to do that. The Scandinavians tend to take a longer-term view. The Dutch did for a while. Now that the World Bank has overseas missions there is potential there. It is true of course that developing countries themselves are different now. For one thing, on the downside, you have got all the political conflagrations going on now that weren't going on 50 years ago. But on the positive side, you also have people who are trained in much greater numbers than was true 50 years ago. Some changes in approach are warranted. So, it is a difficult issue and getting Congress or the U.S. population to see the long-term benefit is not an easy thing.

*Q: No, in the 90's we played around with lessons without borders. Sort of things we have learned overseas that have been brought back to the States to help but that was more anecdotal and PR. You would need a major effort if you were going to do any developmental education in a way that people could say yeah, we can see that this is in our long term interest.*

NORRIS: It is tough to do political education even on things that are in their immediate interest.

*Q: Exactly. So how long were you in Russia?*

NORRIS: I was mission director from August of '92 to August of '96. Four years. After I retired, I stayed on for another two years in St. Petersburg.

*Q: Watching the economy just go down the tubes.*

NORRIS: Well there were growing financial crises. The big one was in '98 actually. There were problems throughout '92 to '96. I think they defaulted on their notes in '96. I

thought when I retired in '96 that Yeltsin was becoming more erratic. But I certainly didn't anticipate the way things were going to go by any stretch of the imagination.

*Q: So, were you optimistic? In '96 it sounds like you had no illusions about the task they had?*

NORRIS: It was a huge task. Some of it was going well; some of it was not going well. I was worried about the private sector. I thought one of the most questionable things we did was to provide funding to enterprise funds in the former Soviet Union because first there should have been an adequately functioning legal system. There should have been a good contract law system. There should have been all sorts of things that needed to be in place before it was wise to make an investment in Russia. So I thought the enterprise funds were very much putting the cart before the horse. I was worried about that. I was worried about the increasing short-term focus of the AID program driven largely by the coordinator's office. So I wasn't optimistic. I was mainly pessimistic with regard to the U.S. government and the Russian legal system. I thought the Russian reform system was still pretty robust. I felt the reformers were still pretty active and continuing to be effective. Then things changed.

*Q: Then things changed as they can. So you retired from that position.*

NORRIS: I retired from that position. I had reached my four-year time in class the year before and the Agency had given me a one-year extension and then I retired. That was during one of AID's phases where people didn't get extensions.

*Q: Thank you Larry Bird.*

### **Post-USAID Career Consulting: 1996 +**

NORRIS: I would have been happy to stay on in AID for another five or six years. But I was happy with the time that I did have in AID. When I was getting ready to retire I was asked by the Parson's corporation, who had the officer's resettlement housing project in Russia that we were funding, if I would come and be chief of party for an urban planning activity that they had in St. Petersburg. Well so of course the first thing I did was to go to the AID lawyer. She said, "Let us check." She found that the last thing I signed off on for Parsons was two or three years previous which was far enough in the past so that legally I could do it. So, I said, OK, but then of course I had to recuse myself from anything associated with Parsons. But it was fraught I must say. I told the lawyer, Janina Jaruzelski was there at that time, I said, "Please write up a complete documentation of this so that I don't go to jail." She did. I found out later that the IG still investigated, which is OK, of course. But anyway, so I moved to St. Petersburg. Cathy stayed on in Moscow because she was working as the project manager of an agricultural project. The project contract had just been let. The people were coming on and she wanted to see it through its first year. So we moved out of our very nice apartment in Moscow and moved into another apartment in Moscow. I think at the time I retired it still wasn't clear whether I was or wasn't going to go on this contract in St. Petersburg, although I had cleared away the

legal underbrush. So, we got another apartment. When the contract was finally initiated I went to St. Petersburg and Cathy stayed in Moscow for a year. I commuted on the weekends from St. Petersburg to Moscow or she came down to see me, which was an interesting experience that I would not like to repeat.

*Q: Yeah, commuting marriages stink actually.*

NORRIS: Yeah. It was a very interesting urban planning project being done with the Leontief Center in St. Petersburg, a very capable group of people.

*Q: And what did they want you to do.*

NORRIS: Well there had to be some foreign advisors to come in and the money had to be watched. Just project management. So I did that. And that took I think about nine months, the report was finished. And the World Bank used it as the basis for a large loan that they negotiated with the government. They said it was a model of what urban planning should be, which was a credit to the Leontief Center, not to me. Anyway, that was nice. Then Parsons put together a partnership of firms: a Russian firm, a Finnish firm and themselves to bid on that project and they won the bid. They asked me to be chief of party. So, I was chief of party of that project. That was a challenge. It was an interesting project too, a good project, \$300 million.

*Q: And did you have willing partners on the other side? I think about your dictums of what it takes to make it effective.*

NORRIS: Well. There is a story. The project was negotiated with the federal ministry of housing in Moscow, and it was based upon introducing new methods of urban planning and pilot projects that would illustrate the advantages of new methods of urban planning in St. Petersburg with a lot of foreign technical consultants to come in to provide new ideas, and new ways of doing things. It was however not to be implemented by the federal ministry of housing. It was to be implemented by the St. Petersburg government. They were not interested in foreign technical assistance.

*Q: Or new ideas.*

NORRIS: They were quite satisfied with the ideas they had. They wanted to have funding to go into projects. They did not want technical advisors. They did not want to sign off on vouchers that paid for expensive foreign advisors. So, we had a project office established. I was there. A deputy chief of party, a Russian, was there. A staff of three or four Russians of different kinds. An American financial controller was there. So, we had this superstructure of a project, but the St. Petersburg government resisted our bringing in and paying for technical advisors. We had a subcontract with a wonderful British firm. Really great people. Finally got them to come. And the project itself was fascinating. The pilot projects were extraordinarily interesting. St. Petersburg itself is a wonderful city. It has to be one of the great cities in the world. It has got all of these marvelous mansions which need to be used.

*Q: They belonged to aristocracy?*

NORRIS: Yeah. They were palaces. Everything was wonderful. The apartment that we lived in, the apartment that I had as chief of party was a small apartment that had been renovated by a German lady to be like it was when it was built in the 19th century.

*Q: Chandeliers and all.*

NORRIS: I don't remember chandeliers but yeah, I guess there were chandeliers. It was in the same building that Dostoyevsky had cited the pawnbroker in *Crime and Punishment*. So, we would have these Japanese tourists coming and taking pictures. But anyway, it was not a mansion, but there were mansions everywhere you looked. They weren't being effectively utilized because the Russian practice was if Dostoyevsky walked down that stairway in 18 whatever, that stairway is never to be changed.

*Q: They were icons.*

NORRIS: Yes and it is one thing to maintain the façade. It is another thing to say you can't touch anything inside. So, there were lots of issues associated with this.

*Q: Now did anyone live in these mansions?*

NORRIS: Some did.

*Q: Squatters?*

NORRIS: No, they weren't squatters. There might be a moribund government office in there. It may have been divided up into apartments or it may have had some real sub optimum commercial use being made of it. So there was enormous potential. But anyway, it was a constant struggle to get the people to come who were the basic reason for the existence of the project, which was to provide technical assistance.

I remember that the Russian architects who were working on the project presented me with the idea of re-paving the sidewalks on the Nevsky Prospect. Not a bad idea. It is a major thoroughfare, a major tourist thing. The sidewalks were a complete mess. Granite pavers were proposed and that would have been a very attractive thing. I said OK let us look into this. They said we have a supplier, a Russian supplier who would supply all the granite we want for such and such a price. I asked the Finnish firm working on the project what would be a competitive price. They said we can import it from Finland for 1/5 of that price. Well it turned out that was the wrong answer. I subsequently found out that the head of the Russian granite firm was the wife of a very senior official in the St. Petersburg government. So that didn't go down well. Eventually I left. I think they replaced me with a Russian and they proceeded with some of the sub contracts. I had two very stressful and enjoyable years in St. Petersburg.

*Q: Right so how did it feel being not a U.S. government employee there? Did you feel free or did you feel actually more vulnerable or neither of those?*

NORRIS: Well I think it was a little funny for everybody. During the initial phase of the activity it was USAID funded for preparing the plan. When the Russian and American staff from USAID would come down and I would make the presentation to them it did seem a little strange. But it didn't bother me and I don't think it really bothered them. It just felt very different. I guess the only difference is, and this is more the case when I went to Egypt as chief of party later on, you sort of wish you were back in a US direct hire position where you could make something happen, rather than being a contractor and trying to persuade people to make something happen and not necessarily succeeding. Other than that, we loved being in St. Petersburg. Cathy was down there for the last year.

*Q: Did you make friends among the Russians?*

NORRIS: *Some.*

*Q: I would think it was easier because you were not a government official.*

NORRIS: I don't think that made any difference. The Russians were very easy to deal with. If they disagreed with you, you were not going to succeed, but on the whole they were pretty straightforward. I liked the Russians enormously. It was an easy assignment from that point of view. As some Russians have said critically to some Americans, "You are making a serious mistake; just because we look like you does not mean we are like you." I am sure that is true. But I found the whole Russian experience a pleasure. Very productive working relations overall. And of course, to have symphony orchestras and operas and ballets and all those things. It was just extraordinary. It was a lovely assignment, but stressful mainly because the city didn't agree with the project's approach. So, we left there in December of '98.

*Q: Were you thinking that way OK, I am retired. We will go back and pull out the rocking chairs.*

NORRIS: No, both Cathy and I were both still interested in overseas assignments. I tossed my hat in some rings, but it didn't get picked up right away. Came back to the US. We were walking in front of the White House. A friend was a docent there and we had just gone on a tour of the White House. We had just come out of the White House and ran into Roger Simmons. He said. "Oh you're back. Emmy is looking for a deputy. She needs a short-term deputy. Would you be interested?" I said, "Sure."

*Q: At that time, she was head of the economic growth bureau.*

NORRIS: Economic growth and agricultural development center. At that time it wasn't a bureau.

*Q: It was a center in global.*

NORRIS: Yes. So I said “Sure.” And I think it took a month for security clearances to be updated.

*Q: So, you came back as a retired annuitant or some other....*

NORRIS: No, I think at that phase I was a WAE, when actually employed.

*Q: So, you could work half a year.*

NORRIS: Up to half a year. That was fine because it was going to be a short-term assignment. So I was the Deputy Associate Assistant Administrator. The longest job title I ever had.

*Q: That is probably your first experience in a central bureau. Is that correct?*

NORRIS: Yes, as a matter of fact it was. Emmy put me to work writing the strategy for EGAD, so I did that. Basically, I enjoyed myself for four months. I teased Emmy that this was her revenge for my assigning her to deal with the new management system that Larry Byrne inflicted on AID.

*Q: Oh yes.*

NORRIS: What a waste of talent that was.

*Q: Time, talent, everything.*

NORRIS: One of the most capable people in AID and Emmy made it work. As far as I know we were the only mission that got it to work. She was in charge of putting it together. We had talented people in that mission and we made the damn thing work. Then everybody realized it was a horrible mistake so we essentially wasted a great deal of senior staff time that could have been productively doing nearly anything else. That does remind me of one other thing. In addition to my having a jaundiced view of Al Gore because of the Gore-Chernomyrdin Commission. I have a jaundiced view because of his pushing doing more with less.

*Q: Oh gosh the small government initiative.*

NORRIS: Yes, and it was interesting. In the AID mission in Russia we were, in fact, able to do more with less. We had less staff than we should have had by a long shot, but it was possible because everybody was experienced. Everybody knew how everything worked. Everybody knew how to make other things work.

*Q: Right and you had PSCs.*

NORRIS: Yes, we had excellent PSCs. But the main thing was we had experienced direct hire foreign service officers like Emmy Simmons, Gene George, George Deikun, Brent Schaeffer, Mark Ward, Terry Tiffany, etc. With experienced people you can short staff them; you can impose all sorts of counterproductive things and they will figure out how to succeed. That can work in the short term, but in the long term it is not possible. Once you run out of experienced people, it is pure disaster. And that is what ultimately happened to the Agency because, as experienced staff retired, replacement staff hadn't been brought in and trained and gained the experience to replace them.

And as long as we are talking about bad ideas embraced by Agency leadership, I am reminded of another. That was the conclusion by the Administrator that AID staff managed projects and could hire the technical consultants to design them. So, much of the Agency's technical staff wasn't replaced as they retired. The result was that the Agency became seriously hollowed out and lost much of its ability to think and plan for itself. All part of doing more with less, which ended up doing less with less.

Anyway, I worked for Emmy for four months, and then one of my hats got picked up by Chemonics. I went out to Cairo again.

*Q: A very different Cairo from the only you left.*

NORRIS: Very different Cairo from when I left nearly 20 years previously. I was chief of party for the technical assistance and policy reform project (TAPR I). Which was a very interesting project and Cairo was a very different place as you said.

*Q: Double the size or something close.*

NORRIS: Well when we were there the first time, '76 to '80, we had a car and we drove all over Cairo; we drove all over Egypt. The second time - no point in having a car. If you drove anywhere, you couldn't park it. So, you used a taxi or hired a car and driver. Traffic was much heavier, but as I think I mentioned with urban planning and traffic control it moved much better. Still horrendous traffic.

*Q: Still horrendous, yeah. But there also have been some private sector initiatives, right?*

NORRIS: That was the most striking thing. When I left Egypt in '80 there were private grocery stores, little teeny private sector stuff. There were no consulting firms. When I came back there were big private sector firms. There were entirely reputable consulting firms that were staffed by well-trained people. There was a Jaguar dealership, which is not a good thing in a relatively poor developing country, but it indicates that the private sector was flourishing and at least some people were getting rich. Egypt was still a controlled economy. Still licenses that had to be obtained for everything. Still layers of bureaucracy. But light years different from what it had been in 1980. The project itself was very interesting. As the title says, technical assistance and policy reform. We provided assistance for insurance reform, customs reform, economic policy, trade issues, etc.

*Q: Different ministries.*

NORRIS: Different ministries. We brought in technical assistance advisors in a variety of ways, but the main project function was to be the monitor of the policy reform initiatives associated with the AID cash transfers. That meant that we had to check up on what was happening and whether it met the performance benchmarks that were established and we also had to develop new benchmarks and new policy reforms for new cash transfers. That was particularly interesting because it gave me an opportunity to work with all of the technical assistance contractors that were in place. There were a number.

*Q: Did all the contracts have a cash payout for specific reforms?*

NORRIS: No, the individual technical assistance projects did not have any cash payouts. There was a central cash transfer that within it had policy reform measures. So, what was interesting for me was to talk to the technical assistance teams, very capable assistance teams, which were working with the ministry of trade or with the stock market, for example. There was a stock market! The idea of there being a stock market when I left in '80 was ludicrous. And it was an effective stock market. But their being technical assistance advisors in ministries is a sensitive thing.

*Q: You were located in a ministry?*

NORRIS: No, I was separate from the ministries and separate from the AID mission, just monitoring policy reform and developing new ones. But what I was able to do was talk to the advisors who were working in the ministries, but who couldn't really lean on the ministry to do certain things because that could affect their relationship. But they could tell me what was really needed was a policy reform in such and such an area, and then I could go back and suggest that that should get put into the cash transfer as a policy reform associated with whatever. That worked out fine. That protected the technical assistance advisors, it strengthened the policy reform. I mean it was a very neat arrangement. The government wasn't upset that the AID mission, itself, was coming to them with policy reforms. They could argue about the policy reforms, but the technical assistance advisors weren't part of that argument.

*Q: Right, and the cash was enough to get their attention. I mean significant.*

NORRIS: The cash was hundreds of millions of dollars.

*Q: So, if you have got the resources you would say that was an effective way to get policy reform.*

NORRIS: If you can marry it with people who know what the nature of the reform should be.

*Q: So, it is not just frivolous.*

NORRIS: And again, I don't think you can have people just sort of parachute in and say this is what you need as a policy reform and then a week and a half later, leave. I mean they have got to be working in the innards of the system to have a sense of where you can make change.

*Q: And where the obstacles are.*

NORRIS: Sometimes you can't make a change up at a high level but you can sort of put the building blocks together one by one down below. So that was very effective. But again, it is an example of your needing to have a time frame of decades. The AID program in Egypt started in the mid 70's. The idea of somebody working effectively in policy reform with Egyptian private consulting firms was unimaginable then, but you could do it 25 years later. It was quite a different situation.

*Q: You have to pick your policies. I don't suppose Human Rights would be an area you can get very far with.*

NORRIS: Even in economic policy you had to pick your targets. Each country is different. Each country has to be dealt with with different degrees of gentleness or tactics. In Indonesia at that time I was there, I think it is different now, but at the time I was there it was a matter of pride on the part of an Indonesian minister to have a foreign advisor sitting next to him in a meeting. A foreign advisor that was sitting right there next to him advising him. In Egypt, the last thing a minister wanted was for anybody to think there was a foreigner telling him what to do. You had to be very careful in how you advanced your ideas or took issue with theirs. Some people got into trouble. They were not as careful as they needed to be, which was excruciatingly careful.

*Q: And there were actually some reforms that got through.*

NORRIS: Yeah, well certainly the first time I was there, to a large extent, the Egyptian government saw the program as their payment for the Camp David Accords and their non-belligerent relationships with Israel.

*Q: And they still saw that in those terms 25 years later.*

NORRIS: Right. If anything, they put on a bit of a hard push to make the program like Israel's. Arguing that it was demeaning to be treated differently than Israel. So it was still the situation. But the program was working in policy areas that were interesting. But, at the end of the day, Egypt knew it was going to get the money. In part, that was dealt with by making it: while you will get the money you won't necessarily get it in this area.

*Q: We are almost setting up a competition within the government; who is going to do the reforming and get the money.*

NORRIS: Right, so we can give it to you as education reform or we can give it to you in health and population. But there are all of these things that are possible. So, we left there in 2003. I think we left in December of 2003.

*Q: Because the contract was over and it was not going to continue or you were ready?*

NORRIS: Let me see now. The contract was going to be over in about another year and it was winding down. We had a very good Egyptian staff and an extraordinary office manager, Yumna Mustafa, who was basically a deputy chief of party. She could be running General Motors. I mean she was really wonderful. Everyone felt perfectly comfortable if I left and she stayed. It continued and then there was a successor contract for technical assistance for policy reform. I actually went back several years later and evaluated the successor project, which was really interesting. I don't remember exactly how it came about, but different firms were bidding on the evaluation. The winning consortium called me up and asked if I was potentially interested. I said, "Sure."

*Q: I know where all the skeletons are.*

NORRIS: Remember this is the second project. No, if they had asked me to come back and evaluate the one I had just been chief of party for that would have been a no-no of the first magnitude. But the second one not so much. But in any event, I came back. AID knew it was going to be me so they knew they were getting the chief of party of the previous one. Good evaluation team I must say. We were there for I think two weeks. Again Egypt was different. The new project was different. TAPR I provided a little technical assistance in a few areas of policy reform but mainly monitored and developed policy reform benchmarks. This new project, TAPR II, was much bigger and was intensively into many different areas and had a huge staff that were being used by the Egyptians really very effectively. It was very impressive to see.

*Q: And was this a Chemonics project?*

NORRIS: No this was Bearing Point I think. It wasn't a Chemonics project. That would have been a conflict also, if I would have done that.

*Q: So, this was four years later.*

NORRIS: A little over 4 years. I left Cairo in December, 2003 and the evaluation was in 2008. January of 2008.

*Q: All right so you are about a year from Tahrir Square. Did it feel like there were political rumblings?*

NORRIS: Not a bit. But I don't think I am particularly good at seeing those. One of the reasons it was so much fun reading the Wayne Merry oral history about Moscow was that I was continually thinking: My God, you mean that was happening? There were these factions and those factions. It was a real eye opener.

So, we came back again to the States. This time moving into this house that we bought as an investment property and had rented out. One thing led to another and we gutted it and re-modeled it in 2004. In 2012-13 we remodeled it again, and last year we remodeled it for the third and last time. So, I came back to the US and we thought I was definitively retired.

*Q: So, the time in Egypt was your last long term overseas living situation.*

NORRIS: Yes. Spent a lot of time focused on renovating the house. And children getting married and having their own children.

Then in 2009 I was asked if I would come back to AID and, God help me, work on the QDDR.

*Q: Oh man what a glutton for punishment you are.*

NORRIS: Well, I should have known better. By the time all the security clearance things were updated it was December, 2009. I did that for about six months. As close to being a pure waste of time that the human mind has ever conceived.

*Q: Yeah, maybe the new management system was a close second.*

NORRIS: I don't know - that is a good point. The new management system was also destructive. It was a waste of time and destructive. The QDDR was a waste of time and useless. Which is a step up, I guess

*Q: You were dealing with AID, you were dealing with State.*

NORRIS: I was the co-chair of one of the subject areas with a retired ambassador. He was much swifter on the uptake than I was, because after a month he just muttered to me, "This is a complete waste of time." So, he left and I continued. My area was involved in personnel policy and procurement policy. It was OK; I went along and sort of learned some things. When it was over, Maureen Shauket, who was head of AID procurement, asked me if I would come and work on procurement reform. Maureen...

*Q: You knew her from Pakistan.*

NORRIS: Yes. She was in charge of what we called the mission blanket purchase agreement, which was the vehicle we used for hiring spouses or short-term people locally to do things that the mission needed. So, potential short term hires would get vetted. They had some capability. Maybe it was editing, maybe it was this or that. Actually, Cathy got hired because she had a background in computers. When we were in Bangladesh she actually trained people in the central bank how to use computers. Of course, this was back in the day when nobody knew how to use computers. Then the AID mission in Pakistan hired her to work on computerization for an agricultural project. They were

computerizing one of the Ag universities. So, I had to recuse myself from agriculture in Pakistan also. So, Maureen was managing that program. She told me one time, much later, that I was the first person that took her seriously. Which really startled me. I thought she was just a competent person doing her job very well and treated her accordingly. In any event she remembered me and she wanted me to come back and work in the office of procurement dealing with procurement reform. I really didn't know much about procurement, but I guess a fresh perspective was useful.

*Q: Was she interested in reform?*

NORRIS: She was interested and the Agency was very interested in procurement reform. There was a big push towards procurement reform. Lisa Gomez, the general counsel, was spearheading it for the agency so I worked on that for two years.

*Q: Did you come away thinking reform is possible?*

NORRIS: I came away thinking improvement was possible. I came away thinking that many of my critical thoughts about AID procurement were focused too much on AID procurement and not enough on federal acquisition regulations which are truly deadly.

*Q: Resuming conversation with Jim Norris.*

NORRIS: So anyway, I was in the procurement office, somewhat what to my surprise, for a couple of years. This time as a reemployed annuitant.

*Q: Do you think you made any changes or was it mainly a learning curve?*

NORRIS: It was definitely a learning curve. As mission director I had been blessed by some extremely capable contract officers: Fred Will, Marcy Buchan, Orion Yaendel. People who had enough experience so that if there was a way to do something they could figure it out. They also knew enough so that when they said you really can't do that, you knew you couldn't do it. There was not a matter of, as I think unfortunately now is frequently the case, where the contract officers are not that experienced. They hesitate. So I had never felt the need to get intensively involved in the procurement process when I was overseas.

*Q: When in doubt the answer is no.*

NORRIS: Yeah and they don't have enough experience to figure out how close they can get to the edge of what is acceptable. So it is a much more constrained system. It was definitely an interesting experience for me to work on procurement issues in Washington.

But I would have to say that I made four contributions. One was somebody had to go to those innumerable meetings. So, I suppose better me than someone who actually had an honest job and something to do. Secondly there were some areas where they wanted to address some problems, improve some systems. There were differences of view between

the procurement office and the user officers as to what was needed. I think I was able to get the two groups of people together and find enough commonality that it was possible to put together some changes that were actually rather helpful. Did that with what is called the leader with associates.

*Q: I was going to ask you, that had already been there.*

NORRIS: It was already there but it had problems. It still has problems, but fewer hopefully. And I started working on the IQC system also. Same sort of issue, getting people together, but I left before that was finished.

*Q: I have to ask you, did the AED debacle happen while you were there?*

NORRIS: Yes.

*Q: Can you talk about that?*

NORRIS: It is not a matter of wanting to or not. I just was not involved. There was a separate section in the procurement office that solely dealt with issues of that nature and they very closely held what was going on and what they were doing and what they were planning. So there would be an occasional reference to it in staff meetings, but basically, I didn't know what was going on. I have the sense that they were becoming increasingly frustrated because there were shortcomings in some of AED's management and financial control procedures that had resulted in fairly significant problems and they couldn't get AED to take it seriously. But that was just sort of partial overhearing. As opposed to another episode regarding the Louis Berger Company that had horrendous problems in Afghanistan.

*Q: I know which one you mean.*

NORRIS: They just jumped on it totally. Vigorously dealt with it, just overwhelmed the problem.

One other thing I did was sort of funny. I mentioned that Maureen was head of the blanket purchase order system we had in the Pakistan Mission which was very valuable. So, she said why don't you try to establish the same sort of thing for AID as a whole.

*Q: So, you pre-qualified people.*

NORRIS: Pre-qualified people and then you can very easily access them. You don't have to pay a firm overhead. And so I did that. Now last I checked on it back in 2013 it was flourishing. It was called the agency independent consultant mechanism. Sometimes it is called the BPA mechanism.

*Q: People are hired as consultants.*

NORRIS: We solicited all the bureaus and the missions as to what areas of expertise they might need. We publicized that there was going to be this mechanism that individual consultants could apply to be considered for. And to send in their resume in these areas.

*Q: And individuals only.*

NORRIS: Individuals only, no firms, no overhead. They could obviously cover any costs associated with what they did in addition to a basic salary. We got thousands and sent them out to the relevant bureaus for vetting. Each one of them that passed the bureaus' scrutiny had to have a little contract negotiated with the AID procurement office, which was basically just their salary history. It was a minimal type of thing, but it took quite a bit of time given the number of individuals. But it was finally done. I did this working with a very capable fellow who was in the economics bureau, Cory O'Hare. One day he said to me Why don't you see if you can get the procurement office to agree that if a mission or an office can't find the type of person that they want on this roster they can place a short announcement in DEVEX saying they want someone with these qualifications and pick the best of three respondents. I said they would never agree to that. Never! But he persuaded me to try and I presented it and they agreed.

*Q: So DEVEX became the vetting mechanism.*

NORRIS: It became the vehicle for doing this. So again, I don't know if it still exists but when I left it was up and running and doing very well. When I checked back a year later it was still there and still running and saving the agency millions of dollars in overhead.

*Q: I wonder how the consulting firms felt. Did they put up any active resistance?*

NORRIS: No. Whether that was because they thought it would be ineffective or they didn't notice or what have you. I mean missions could get people very quickly. Offices could get people very quickly. It was just painless. It was just a miracle.

*Q: That is great, BPA?*

NORRIS: I don't know what they call it now. They alternated back and forth. The formal name was AICM, the Agency Independent Consultant Mechanism. It was also called the BPA mechanism but...

*Q: Well congratulations that sounds like a real win.*

NORRIS: I was quite pleased. It was just a little thing but with real long term value to the Agency. The other thing I was involved in was helping establish the Agency's Board for Acquisition and Assistance Review, or BAAR. This was a committee of senior AID career officers who reviewed contracts and grants above a certain size before final commitment and made recommendations for any adjustments in approach. I became the first executive secretary for the BAAR and was known, inevitably, as the bar tender.

Anyway, then I retired again for the fourth or fifth time.

*Q: You are getting good at it.*

NORRIS: I am getting excellent at it. A professional retirer. Last retired in May of 2012 and have been vegetating happily ever since.

*Q: And renovating.*

NORRIS: Renovating; three remodels. An enormous amount of yard work. Built some furniture.

*Q: So, it was a remarkable career. Who would have thought that when you went to MIT you would have seen the world?*

NORRIS: Indeed, who would have think any one of those steps. The opportunities! Cathy and I and the children thoroughly enjoyed our time overseas. We look back on it with great interest and fondness.

*Q: Well and I hope with pride because you have been at the center of so much of what has happened.*

NORRIS: Yeah, they have all been interesting programs and interesting times. Things happened. The nature of AID was shifting while I was in Russia and that was not a welcome development. I think that was a very unfortunate thing.

*Q: It was becoming more political as you discussed every other government agency thought they had a role in U.S. government development policy and I think the State Department and the White House took greater interest and a sense of proprietorship over the program.*

NORRIS: Right. Which I think has been almost universally counter-productive. They don't seem to distinguish between strategic direction and micromanaging fiddling. They also don't have a sense as to what can be done productively in a country. Whatever that joke is that if your only tool is a hammer then every problem looks like a nail and if you need to drive a nail then every tool looks like a hammer. But the US has problems that are short to medium term problems that they tried to use a tool that is designed and effective for long term problems. The result is that everybody gets frustrated.

*Q: Right and then they give up.*

NORRIS: Right and then they conclude that AID isn't any good because it can't address...

*Q: A nail with a screwdriver.*

NORRIS: Right, absolutely. And it is just a tragedy. The fact that so many countries are now in political and military turmoil understandably requires the US to assign importance to engaging on those problems. These are important problems, but that doesn't mean that AID should have that as its primary focus. We can do those short term things and probably make fewer mistakes than others, because of our developmental experience, but the US should be interested in these countries for the long term and there AID could make a real difference, assuming there was enough of a government you could work with.

*Q: How do you feel about, I really will terminate this, but how do you feel about programs that are just for the private sector or the non-governmental sector? There have been instances where the government was not a willing partner where AID has tried to do things through think tanks and universities to keep the dialog going.*

NORRIS: I am certainly prepared to accept that theoretically there may be a country where the government is impossible to work with, but that you can engage local think tanks in a productive way and strengthen them for some time in the future where they may have an impact. My basic feeling though is you need to have a long term knowledgeable presence in a country in the areas you want to be involved in. If the think tank has the capacity and the talent it may not need foreign assistance, and if it doesn't have the capacity or talent it may need long term foreign advisors. So, one way or another you don't get away from the long term. And the government may have some reluctance to have foreigners fund and advise a think tank that is going to do things they are not interested in having done.

*Q: Right they are just going to sneak in here.*

NORRIS: I also have some reservations about encouraging private sector investment in countries that aren't really ready for it. You have to have an environment where it makes sense to invest. In Russia, because of congressional pressure and White House pressure, there had to be money allocated to the enterprise funds. I am sure they have been evaluated, but I haven't seen the evaluations. My impression at the time was that the investments that were successful were made by firms that had a lot of depth and money and were going to make the investments regardless of whether we provided any support. If we wanted to give them money, it was fine with them, but it didn't cause the investment to occur. And those investments that we supported that didn't have that depth and degree of self-financing capability didn't do well. It was just too early for an enterprise fund in Russia. Goodness sakes, you had to have a Russian partner, who quite often ultimately saw things differently in a way that was unhelpful, you had to deal with the mafia, and the legal system was problematic.

*Q: You could argue that it is too early now or maybe too late.*

NORRIS: In some respects it is even worse now because then there were people in the judicial system who wanted to reform, who wanted to strengthen the laws, who wanted an independent, self-standing capable, respectable judicial system and they wanted to

work with us. We were doing things. Now I think those people are few and far between. If they do exist and they stick their head up, it may get cut off.

*Q: Right. Jim, thank you very much. This was fascinating.*

*End of interview*